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Chief Clerk of the House

FILED MAR 14 2003

By:

H.B. No. 3508

A BILL TO BE ENTITLED

AN ACT

relating to the adoption of a nonsubstantive revision of local laws  
concerning special districts, including conforming amendments.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. ADOPTION OF CODE. The Special District Local  
Laws Code is adopted to read as follows:

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 1. GENERAL PROVISIONS

CHAPTER 1. GENERAL PROVISIONS

[Chapters 2-20 reserved for expansion]

TITLE 2. ENVIRONMENT AND SANITATION

SUBTITLE A. SOLID WASTE MANAGEMENT

[Chapters 21-1000 reserved for expansion]

TITLE 3. HEALTH

SUBTITLE A. HOSPITAL DISTRICTS

[Chapter 1001 reserved for expansion]

CHAPTER 1002. ANGLETON-DANBURY HOSPITAL DISTRICT OF BRAZORIA  
COUNTY, TEXAS

CHAPTER 1003. BOOKER HOSPITAL DISTRICT

[Chapters 1004-3000 reserved for expansion]

TITLE 4. DEVELOPMENT AND IMPROVEMENT

SUBTITLE A. AGRICULTURE

CHAPTER 3001. SOUTHEAST TEXAS AGRICULTURAL DEVELOPMENT  
DISTRICT

1                   [Chapters 3002-3500 reserved for expansion]  
2                   SUBTITLE B. DEFENSE BASE DEVELOPMENT  
3 CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY  
4 CHAPTER 3502. WESTWORTH VILLAGE-WHITE SETTLEMENT REDEVELOPMENT  
5                   AUTHORITY  
6                   [Chapters 3503-3800 reserved for expansion]  
7                   SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT  
8 CHAPTER 3801. HOUSTON DOWNTOWN MANAGEMENT DISTRICT  
9 CHAPTER 3802. WESTCHASE DISTRICT  
10 CHAPTER 3803. GREATER GREENSPPOINT MANAGEMENT DISTRICT  
11                   OF HARRIS COUNTY  
12 CHAPTER 3804. FIRST COLONY MANAGEMENT DISTRICT  
13 CHAPTER 3805. UPPER KIRBY MANAGEMENT DISTRICT  
14 CHAPTER 3806. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2  
15 CHAPTER 3807. GREATER EAST END MANAGEMENT DISTRICT  
16 CHAPTER 3808. EAST DOWNTOWN MANAGEMENT DISTRICT  
17 CHAPTER 3809. MIDTOWN MANAGEMENT DISTRICT  
18 CHAPTER 3810. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT  
19                   NO. 1  
20 CHAPTER 3811. NEAR NORTHWEST MANAGEMENT DISTRICT  
21 CHAPTER 3812. GREATER NORTHSIDE MANAGEMENT DISTRICT  
22 CHAPTER 3813. OLD TOWN SPRING IMPROVEMENT DISTRICT  
23 CHAPTER 3814. ENERGY CORRIDOR MANAGEMENT DISTRICT  
24 CHAPTER 3815. GREATER SOUTHEAST MANAGEMENT DISTRICT  
25 CHAPTER 3816. FRISCO SQUARE MANAGEMENT DISTRICT  
26 CHAPTER 3817. ALDINE COMMUNITY IMPROVEMENT DISTRICT  
27                   [Chapters 3818-5000 reserved for expansion]



1 TITLE 5. TRANSPORTATION  
2 SUBTITLE A. NAVIGATION DISTRICTS AND PORT AUTHORITIES  
3 CHAPTER 5001. ARANSAS COUNTY NAVIGATION DISTRICT NO. 1  
4 [Chapters 5002-5200 reserved for expansion]  
5 SUBTITLE B. ROAD AND ROAD UTILITY DISTRICTS  
6 [Chapters 5201-6600 reserved for expansion]  
7 TITLE 6. WATER AND WASTEWATER  
8 SUBTITLE A. DRAINAGE DISTRICTS  
9 CHAPTER 6601. ANGLETON DRAINAGE DISTRICT  
10 [Chapters 6602-6900 reserved for expansion]  
11 SUBTITLE B. FRESH WATER SUPPLY DISTRICTS  
12 CHAPTER 6901. BAYVIEW MUNICIPAL UTILITY DISTRICT OF  
13 GALVESTON COUNTY  
14 [Chapters 6902-7200 reserved for expansion]  
15 SUBTITLE C. SPECIAL UTILITY DISTRICTS  
16 [Chapters 7201-7500 reserved for expansion]  
17 SUBTITLE D. IRRIGATION DISTRICTS  
18 [Chapters 7501-7800 reserved for expansion]  
19 SUBTITLE E. LEVEE IMPROVEMENT DISTRICTS  
20 CHAPTER 7801. BOIS D'ARC ISLAND LEVEE IMPROVEMENT DISTRICT  
21 OF DALLAS AND KAUFMAN COUNTIES  
22 [Chapters 7802-8100 reserved for expansion]  
23 SUBTITLE F. MUNICIPAL UTILITY DISTRICTS  
24 CHAPTER 8101. ATHENS MUNICIPAL WATER AUTHORITY  
25 CHAPTER 8102. ADDICKS UTILITY DISTRICT  
26 [Chapters 8103-8500 reserved for expansion]  
27 SUBTITLE G. RIVER AUTHORITIES

1 CHAPTER 8501. ANGELINA AND NECHES RIVER AUTHORITY  
2 [Chapters 8502-8800 reserved for expansion]  
3 SUBTITLE H. DISTRICTS GOVERNING GROUNDWATER  
4 CHAPTER 8801. HARRIS-GALVESTON COASTAL SUBSIDENCE DISTRICT  
5 [Chapters 8802-9000 reserved for expansion]  
6 SUBTITLE I. WATER CONTROL AND IMPROVEMENT DISTRICTS  
7 [Chapters 9001 and 9002 reserved for expansion]  
8 CHAPTER 9003. AQUILLA-HACKBERRY CREEK CONSERVATION DISTRICT  
9 [Chapters 9004-9300 reserved for expansion]  
10 SUBTITLE J. WATER IMPROVEMENT DISTRICTS  
11 CHAPTER 9301. CAMERON COUNTY WATER IMPROVEMENT DISTRICT  
12 NUMBER TEN  
13 [Chapters 9302-9500 reserved for expansion]  
14 SUBTITLE K. SEAWALL COMMISSIONS  
15 CHAPTER 9501. SEAWALL COMMISSION IN MATAGORDA COUNTY  
16 [Chapters 9502-11000 reserved for expansion]  
17 SUBTITLE X. DISTRICTS WITH COMBINED POWERS  
18 CHAPTER 11001. ROAD DISTRICT AUTHORITY OF BASTROP COUNTY  
19 WATER CONTROL AND IMPROVEMENT DISTRICT  
20 NO. 2  
21 SPECIAL DISTRICT LOCAL LAWS CODE  
22 TITLE 1. GENERAL PROVISIONS  
23 CHAPTER 1. GENERAL PROVISIONS  
24 Sec. 1.001. PURPOSE OF CODE  
25 Sec. 1.002. CONSTRUCTION OF CODE  
26 Sec. 1.003. REFERENCE IN LAW TO STATUTE REVISED BY CODE  
27 CHAPTER 1. GENERAL PROVISIONS

1           Sec. 1.001. PURPOSE OF CODE. (a) This code is enacted as  
2 a part of the state's continuing statutory revision program, begun  
3 by the Texas Legislative Council in 1963 as directed by the  
4 legislature in the law codified as Section 323.007, Government  
5 Code. The program contemplates a topic-by-topic revision of the  
6 state's general and permanent statute law without substantive  
7 change.

8           (b) Consistent with the objectives of the statutory  
9 revision program, the purpose of this code is to make the law  
10 encompassed by this code more accessible and understandable by:

11               (1) rearranging the statutes into a more logical  
12 order;

13               (2) employing a format and numbering system designed  
14 to facilitate citation of the law and to accommodate future  
15 expansion of the law;

16               (3) eliminating repealed, duplicative,  
17 unconstitutional, expired, executed, and other ineffective  
18 provisions; and

19               (4) restating the law in modern American English to  
20 the greatest extent possible. (New.)

21           Sec. 1.002. CONSTRUCTION OF CODE. Chapter 311, Government  
22 Code (Code Construction Act), applies to the construction of each  
23 provision in this code except as otherwise expressly provided by  
24 this code. (New.)

25           Sec. 1.003. REFERENCE IN LAW TO STATUTE REVISED BY CODE. A  
26 reference in a law to a statute or a part of a statute revised by  
27 this code is considered to be a reference to the part of this code

1 that revises that statute or part of that statute. (New.)

2 [Chapters 2-20 reserved for expansion]

3 TITLE 2. ENVIRONMENT AND SANITATION

4 SUBTITLE A. SOLID WASTE MANAGEMENT

5 [Chapters 21-1000 reserved for expansion]

6 TITLE 3. HEALTH

7 SUBTITLE A. HOSPITAL DISTRICTS

8 [Chapter 1001 reserved for expansion]

9 CHAPTER 1002. ANGLETON-DANBURY HOSPITAL DISTRICT OF

10 BRAZORIA COUNTY, TEXAS

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 1002.001. DEFINITIONS

13 Sec. 1002.002. AUTHORITY FOR CREATION

14 Sec. 1002.003. POLITICAL SUBDIVISION

15 Sec. 1002.004. DISTRICT TERRITORY

16 Sec. 1002.005. CORRECTION OF INVALID PROCEDURES

17 Sec. 1002.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE

18 OBLIGATION

19 [Sections 1002.007-1002.050 reserved for expansion]

20 SUBCHAPTER B. DISTRICT ADMINISTRATION

21 Sec. 1002.051. BOARD OF DIRECTORS; ELECTION

22 Sec. 1002.052. BOND; RECORD OF BOND AND OATH OF OFFICE

23 Sec. 1002.053. BOARD VACANCY

24 Sec. 1002.054. OFFICERS

25 Sec. 1002.055. COMPENSATION; REIMBURSEMENT

26 Sec. 1002.056. VOTING REQUIREMENT

27 Sec. 1002.057. RECRUITMENT OF STAFF AND EMPLOYEES

1   Sec. 1002.058.   STAFF PHYSICIAN OFFICE FACILITIES  
2   Sec. 1002.059.   HEALTH EDUCATION PROGRAMS FOR STAFF  
3                    AND EMPLOYEES  
4   Sec. 1002.060.   RETIREMENT BENEFITS  
5            [Sections 1002.061-1002.100 reserved for expansion]  
6                    SUBCHAPTER C.  POWERS AND DUTIES  
7   Sec. 1002.101.   DISTRICT RESPONSIBILITY  
8   Sec. 1002.102.   LIMITATION ON CERTAIN POLITICAL SUBDIVISIONS  
9   Sec. 1002.103.   POWERS OF BOARD  
10   Sec. 1002.104.   HOSPITAL SYSTEM  
11   Sec. 1002.105.   OPERATING, MANAGEMENT, OR CONSULTING  
12                    CONTRACTS  
13   Sec. 1002.106.   PROVISION OF SERVICES OUTSIDE DISTRICT  
14   Sec. 1002.107.   EMINENT DOMAIN  
15   Sec. 1002.108.   GIFTS AND ENDOWMENTS  
16   Sec. 1002.109.   AUTHORITY TO SUE AND BE SUED  
17            [Sections 1002.110-1002.150 reserved for expansion]  
18                    SUBCHAPTER D.  CHANGE IN BOUNDARIES  
19   Sec. 1002.151.   PETITION TO EXPAND DISTRICT TERRITORY  
20   Sec. 1002.152.   NOTICE OF HEARING  
21   Sec. 1002.153.   ORDER OF ANNEXATION  
22   Sec. 1002.154.   RATIFICATION ELECTION  
23   Sec. 1002.155.   ASSUMPTION OF DEBTS AND TAXES  
24            [Sections 1002.156-1002.200 reserved for expansion]  
25                    SUBCHAPTER E.  DISSOLUTION  
26   Sec. 1002.201.   DISSOLUTION; ELECTION  
27   Sec. 1002.202.   NOTICE OF ELECTION

1   Sec. 1002.203.   BALLOT  
2   Sec. 1002.204.   ELECTION RESULTS  
3   Sec. 1002.205.   TRANSFER OR ADMINISTRATION OF ASSETS  
4   Sec. 1002.206.   SALE OR TRANSFER OF ASSETS AND LIABILITIES  
5   Sec. 1002.207.   IMPOSITION OF TAX AND RETURN OF  
6                    SURPLUS TAXES  
7   Sec. 1002.208.   REPORT; DISSOLUTION ORDER  
8           [Sections 1002.209-1002.250 reserved for expansion]  
9                    SUBCHAPTER F.   DISTRICT FUNDS  
10   Sec. 1002.251.   DEPOSITORY  
11   Sec. 1002.252.   AUTHORITY TO BORROW MONEY; SECURITY  
12           [Sections 1002.253-1002.300 reserved for expansion]  
13                    SUBCHAPTER G.   BONDS  
14   Sec. 1002.301.   GENERAL OBLIGATION BONDS  
15   Sec. 1002.302.   TAXES TO PAY GENERAL OBLIGATION BONDS  
16   Sec. 1002.303.   GENERAL OBLIGATION BOND ELECTION  
17   Sec. 1002.304.   EXECUTION OF GENERAL OBLIGATION BONDS  
18   Sec. 1002.305.   INVESTMENT OF GENERAL OBLIGATION BOND  
19                    PROCEEDS  
20   Sec. 1002.306.   REVENUE BONDS  
21           [Sections 1002.307-1002.350 reserved for expansion]  
22                    SUBCHAPTER H.   TAXES  
23   Sec. 1002.351.   IMPOSITION OF TAXES  
24   Sec. 1002.352.   TAX ASSESSOR-COLLECTOR  
25           CHAPTER 1002.   ANGLETON-DANBURY HOSPITAL DISTRICT OF  
26                                BRAZORIA COUNTY, TEXAS  
27                    SUBCHAPTER A.   GENERAL PROVISIONS

1           Sec. 1002.001. DEFINITIONS. In this chapter:

2                   (1) "Board" means the board of directors of the  
3 district.

4                   (2) "District" means the Angleton-Danbury Hospital  
5 District of Brazoria County, Texas.

6                   (3) "Director" means a member of the board. (New.)

7           Sec. 1002.002. AUTHORITY       FOR       CREATION.           The  
8 Angleton-Danbury Hospital District of Brazoria County, Texas, is  
9 created under the authority of Section 9, Article IX, Texas  
10 Constitution. (Acts 60th Leg., R.S., Ch. 120, Sec. 1 (part).)

11           Sec. 1002.003. POLITICAL SUBDIVISION. The district is a  
12 political subdivision of this state. (Acts 60th Leg., R.S., Ch.  
13 120, Sec. 15 (part).)

14           Sec. 1002.004. DISTRICT TERRITORY. (a) The district is  
15 composed of the territory described by Section 1, Chapter 120, Acts  
16 of the 60th Legislature, Regular Session, 1967, as that territory  
17 may have been modified under:

18                   (1) Subchapter D or its predecessor statute, Section  
19 4a, Chapter 120, Acts of the 60th Legislature, Regular Session,  
20 1967; or

21                   (2) other law.

22           (b) The legislature finds that the boundaries and field  
23 notes of the district contained in Section 1, Chapter 120, Acts of  
24 the 60th Legislature, Regular Session, 1967, form a closure. A  
25 mistake in the field notes or in copying the field notes in the  
26 legislative process does not affect:

27                   (1) the organization, existence, or validity of the

1 district;

2 (2) the right of the district to issue bonds;

3 (3) the right of the district to impose taxes; or

4 (4) the legality or operation of the district in any  
5 other manner. (Acts 60th Leg., R.S., Ch. 120, Sec. 1 (part); New.)

6 Sec. 1002.005. CORRECTION OF INVALID PROCEDURES. If a  
7 court holds that any procedure under this chapter violates the  
8 constitution of this state or of the United States, the district by  
9 resolution may provide an alternative procedure that conforms with  
10 the constitution. (Acts 60th Leg., R.S., Ch. 120, Sec. 17 (part).)

11 Sec. 1002.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
12 OBLIGATION. The support and maintenance of the district's  
13 hospital system may not become a charge against or obligation of  
14 this state. (Acts 60th Leg., R.S., Ch. 120, Sec. 8 (part).)

15 [Sections 1002.007-1002.050 reserved for expansion]

16 SUBCHAPTER B. DISTRICT ADMINISTRATION

17 Sec. 1002.051. BOARD OF DIRECTORS; ELECTION. (a) The  
18 board consists of nine persons elected as provided by this section.

19 (b) For the purpose of electing a board, the district is  
20 divided into three areas:

21 (1) Area Angleton, composed of:

22 (A) all territory within Brazoria County  
23 election precincts Nos. 1, 2, and 5 that is within the boundaries of  
24 the Angleton Independent School District, as those precincts and  
25 those boundaries existed on January 1, 1967; and

26 (B) that part of Brazoria County election  
27 precinct No. 6 that is west of Chocolate Bayou and within the



1 boundaries of the Angleton Independent School District, as that  
2 precinct and those boundaries existed on January 1, 1967;

3 (2) Area Danbury, composed of all territory within the  
4 boundaries of the Danbury Independent School District, as those  
5 boundaries existed on January 1, 1967; and

6 (3) Area Rosharon, composed of:

7 (A) all territory within Brazoria County  
8 election precinct No. 9 that is not within the boundaries of the  
9 Danbury Independent School District, as that precinct and those  
10 boundaries existed on January 1, 1967; and

11 (B) all territory within Brazoria County  
12 election precinct No. 21 that is not within the boundaries of the  
13 Manvel Independent School District, as that precinct and those  
14 boundaries existed on January 1, 1967.

15 (c) A change in the boundaries of an election precinct or a  
16 school district does not affect or change the boundaries of an area  
17 prescribed by Subsection (b).

18 (d) Eight directors are elected by position and one director  
19 is elected at large. The persons elected for Director, Position  
20 Nos. 1, 2, 3, 4, and 5 must be residents of Area Angleton. The  
21 persons elected for Director, Position Nos. 6 and 7 must be  
22 residents of Area Danbury. The person elected for Director,  
23 Position No. 8 must be a resident of Area Rosharon. The director  
24 elected for Position No. 9 must be a resident of the district at  
25 large.

26 (e) At each directors' election, all qualified voters of the  
27 district may vote for directors. The candidate for a position

1 receiving the highest number of votes for election to that position  
2 is a director for the district.

3 (f) Directors serve staggered two-year terms unless  
4 four-year terms are established under Section 285.081, Health and  
5 Safety Code. If the directors serve two-year terms, the terms of  
6 directors elected to odd-numbered positions expire in  
7 even-numbered years and the terms of directors elected to  
8 even-numbered positions expire in odd-numbered years. (Acts 60th  
9 Leg., R.S., Ch. 120, Sec. 4 (part).)

10 Sec. 1002.052. BOND; RECORD OF BOND AND OATH OF  
11 OFFICE. (a) Each director shall execute a good and sufficient  
12 bond for \$5,000 that is:

13 (1) approved by the Commissioners Court of Brazoria  
14 County and the board;

15 (2) payable to the district; and

16 (3) conditioned on the faithful performance of the  
17 director's duties.

18 (b) The bond and the constitutional oath of office shall be  
19 kept in the permanent records of the district. (Acts 60th Leg.,  
20 R.S., Ch. 120, Sec. 4 (part).)

21 Sec. 1002.053. BOARD VACANCY. (a) If a vacancy occurs in  
22 the office of director, the remaining directors shall appoint a  
23 director for the remainder of the unexpired term.

24 (b) If the number of directors is reduced to less than five,  
25 the remaining directors shall immediately call a special election  
26 to fill the vacancies. On application of any voter or taxpayer of  
27 the district when the board fails to call an election, a district

1 court may order the directors to hold the election. (Acts 60th  
2 Leg., R.S., Ch. 120, Sec. 7 (part).)

3 Sec. 1002.054. OFFICERS. The board shall elect a president  
4 and a secretary from among the directors to serve until the next  
5 directors election. (Acts 60th Leg., R.S., Ch. 120, Sec. 7 (part).)

6 Sec. 1002.055. COMPENSATION; REIMBURSEMENT. A director  
7 serves without compensation but may be reimbursed for actual  
8 expenses incurred by the director in the performance of official  
9 duties on the approval of the expenses by the board. (Acts 60th  
10 Leg., R.S., Ch. 120, Sec. 7 (part).)

11 Sec. 1002.056. VOTING REQUIREMENT. A concurrence of five  
12 directors is sufficient in any matter relating to the business of  
13 the district. (Acts 60th Leg., R.S., Ch. 120, Sec. 7 (part).)

14 Sec. 1002.057. RECRUITMENT OF STAFF AND EMPLOYEES. The  
15 board may spend district money, enter into agreements, and take  
16 other necessary action to recruit physicians and other persons to  
17 serve as medical staff members or district employees, including:

18 (1) advertising and marketing;

19 (2) paying travel, recruitment, and relocation  
20 expenses; and

21 (3) providing a loan or scholarship to a physician, or  
22 a person currently enrolled in health care education courses at an  
23 institution of higher education, who contractually agrees to become  
24 a medical staff member or district employee. (Acts 60th Leg., R.S.,  
25 Ch. 120, Sec. 7A(c).)

26 Sec. 1002.058. STAFF PHYSICIAN OFFICE FACILITIES. (a) The  
27 board shall determine the type, number, and location of buildings

1 necessary to establish and maintain office facilities for staff  
2 physicians to provide adequate medical care.

3 (b) The board may:

4 (1) acquire property and equipment and construct  
5 facilities for the district for use by staff physicians; and

6 (2) mortgage or pledge the property, equipment, or  
7 facilities as security for the payment of the purchase price or  
8 construction cost.

9 (c) The board may lease the office facilities and equipment  
10 to staff physicians or may sell or otherwise dispose of the  
11 property, facilities, and equipment. (Acts 60th Leg., R.S., Ch.  
12 120, Secs. 12A(a), (b), (c).)

13 Sec. 1002.059. HEALTH EDUCATION PROGRAMS FOR STAFF AND  
14 EMPLOYEES. The board may spend district money, enter into  
15 agreements, and take other necessary action to conduct, participate  
16 in, or otherwise assist in providing health care educational  
17 programs for current or prospective medical staff members or  
18 district employees. (Acts 60th Leg., R.S., Ch. 120, Sec. 7A(d).)

19 Sec. 1002.060. RETIREMENT BENEFITS. The board may provide  
20 retirement benefits for district employees by:

21 (1) establishing or administering a retirement  
22 program; or

23 (2) participating in:

24 (A) the Texas County and District Retirement  
25 System; or

26 (B) another statewide retirement system in which  
27 the district is eligible to participate. (Acts 60th Leg., R.S., Ch.

1 120, Sec. 7A(e).)

2 [Sections 1002.061-1002.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Sec. 1002.101. DISTRICT RESPONSIBILITY. The district has  
5 full responsibility for providing medical and hospital care for the  
6 district's needy residents. (Acts 60th Leg., R.S., Ch. 120, Sec.  
7 2(a) (part).)

8 Sec. 1002.102. LIMITATION ON CERTAIN POLITICAL  
9 SUBDIVISIONS. A political subdivision other than the district in  
10 Brazoria County may not impose taxes or issue bonds or other  
11 obligations for hospital purposes or to provide medical care for  
12 district residents. (Acts 60th Leg., R.S., Ch. 120, Sec. 2(a)  
13 (part).)

14 Sec. 1002.103. POWERS OF BOARD. (a) The board has all  
15 powers necessary, convenient, or incidental to carry out the  
16 purposes for which the district was created.

17 (b) The board has the complete management and control of all  
18 the business of the district, including the power to negotiate and  
19 contract with any person to purchase or lease land, to construct and  
20 equip a hospital system, to operate and maintain a hospital or  
21 hospitals, and to negotiate and contract with other political  
22 subdivisions of the state or private individuals, associations, or  
23 corporations for those purposes, all as may be determined to be  
24 necessary or desirable for the district by the board.

25 (c) This section is not a limitation on the powers of the  
26 board. (Acts 60th Leg., R.S., Ch. 120, Secs. 4 (part), 7 (part).)

27 Sec. 1002.104. HOSPITAL SYSTEM. (a) The district shall

1 provide for the establishment of a hospital or hospital system  
2 within the district's boundaries to provide health care services to  
3 persons residing in the district by:

4 (1) purchasing, constructing, acquiring, repairing,  
5 or renovating buildings and improvements;

6 (2) equipping the buildings and improvements; and

7 (3) administering the buildings and improvements for  
8 hospital purposes.

9 (b) The hospital system may include any facility or  
10 equipment the board considers necessary or appropriate for  
11 providing health care services, including:

12 (1) domiciliary care and treatment of sick, injured,  
13 or geriatric patients;

14 (2) outpatient clinics;

15 (3) rural health clinics;

16 (4) convalescent home facilities;

17 (5) assisted living or personal care facilities;

18 (6) physicians' offices;

19 (7) home health care services;

20 (8) durable medical equipment;

21 (9) long-term care;

22 (10) skilled and intermediate nursing care;

23 (11) preventive care services;

24 (12) ancillary support;

25 (13) pharmacies;

26 (14) hospice care;

27 (15) community mental health centers; and

1           (16) alcohol or chemical dependency centers.

2           (c) The district may operate or assist in the operation of a  
3 mobile emergency medical service as part of the hospital system.  
4 (Acts 60th Leg., R.S., Ch. 120, Secs. 2(a) (part), (b).)

5           Sec. 1002.105. OPERATING, MANAGEMENT, OR CONSULTING  
6 CONTRACTS. (a) The board may enter into an operating,  
7 management, or consulting contract to obtain management or  
8 consulting services for the district or for any portion of the  
9 district. The contract must provide that the board retains  
10 responsibility for and control of the district's operation.

11           (b) A company providing services to the district under the  
12 contract, and the officers, directors, and employees of the  
13 company, while performing services under the contract for the  
14 benefit of the district:

15           (1) are solely employees of the district for purposes  
16 of any determination regarding the immunity or liability of the  
17 company or its officers, directors, and employees; and

18           (2) have immunity or limited liability under laws  
19 applicable to district employees, whether statutory or common law,  
20 to the extent a district employee would be entitled under the same  
21 circumstances. (Acts 60th Leg., R.S., Ch. 120, Sec. 7A(a).)

22           Sec. 1002.106. PROVISION OF SERVICES OUTSIDE  
23 DISTRICT. Subject to the approval of the board, the district may  
24 provide primary care, emergency services, preventive medical  
25 services, and other health-related services outside the district if  
26 the services serve the purpose of the district as established by  
27 this chapter. (Acts 60th Leg., R.S., Ch. 120, Sec. 7A(b).)

1           Sec. 1002.107. EMINENT DOMAIN. (a) The district may  
2 exercise the power of eminent domain to acquire a fee simple or  
3 other interest in any type of property, real, personal, or mixed,  
4 located in the territory of the district if the interest is  
5 necessary or convenient for the district to exercise the rights,  
6 powers, privileges, or functions conferred by this chapter.

7           (b) The district must exercise the power of eminent domain  
8 in the manner provided by Chapter 21, Property Code, but the  
9 district is not required to deposit in the trial court money or a  
10 bond as provided by Section 21.021(a), Property Code.

11           (c) In a condemnation proceeding brought by the district,  
12 the district is not required to:

13                 (1) pay in advance or provide bond or other security  
14 for costs in the trial court;

15                 (2) provide bond for the issuance of a temporary  
16 restraining order or a temporary injunction; or

17                 (3) provide bond for cost or supersedeas on an appeal  
18 or writ of error. (Acts 60th Leg., R.S., Ch. 120, Sec. 11.)

19           Sec. 1002.108. GIFTS AND ENDOWMENTS. (a) The board may  
20 accept for the district a gift or endowment to be held in trust and  
21 administered by the board for the purposes and under the  
22 directions, limitations, or provisions prescribed in writing by the  
23 donor that are not inconsistent with the proper management and  
24 objectives of the district.

25           (b) This section is not a limitation on the authority of the  
26 board. (Acts 60th Leg., R.S., Ch. 120, Sec. 16.)

27           Sec. 1002.109. AUTHORITY TO SUE AND BE SUED. As a



1 government agency, the district may sue and be sued in its own name  
2 in any court of this state. (Acts 60th Leg., R.S., Ch. 120, Sec. 15  
3 (part).)

4 [Sections 1002.110-1002.150 reserved for expansion]

5 SUBCHAPTER D. CHANGE IN BOUNDARIES

6 Sec. 1002.151. PETITION TO EXPAND DISTRICT  
7 TERRITORY. (a) Territory may be added to the district on a  
8 petition for annexation signed by the owners of a majority in value  
9 of the land sought to be annexed, as shown by the county tax rolls.

10 (b) The petition must be filed with the secretary of the  
11 board. (Acts 60th Leg., R.S., Ch. 120, Sec. 4a (part).)

12 Sec. 1002.152. NOTICE OF HEARING. (a) The board shall  
13 pass an order fixing a time and place at which the petition shall be  
14 heard.

15 (b) The secretary shall issue notice of the time and place  
16 of the hearing. The notice must describe the territory proposed to  
17 be annexed by metes and bounds or by lot and block number, if there  
18 is a recorded map or plat and survey of the land.

19 (c) Notice of the hearing shall be given by publication of a  
20 copy of the notice in a newspaper of general circulation in Brazoria  
21 County at least one time, the date of the first publication to be at  
22 least 10 days before the date of the hearing. (Acts 60th Leg.,  
23 R.S., Ch. 120, Sec. 4a (part).)

24 Sec. 1002.153. ORDER OF ANNEXATION. If, after hearing the  
25 petition, the board finds that the proposed annexation is to the  
26 advantage of the district and to the territory to be annexed, the  
27 board may by order annex the territory to the district. (Acts 60th

1 Leg., R.S., Ch. 120, Sec. 4a (part).)

2 Sec. 1002.154. RATIFICATION ELECTION. (a) Annexation of  
3 the territory does not become final until ratified by a majority  
4 vote at a separate election held within the boundaries of the  
5 district and by a majority vote at a separate election held within  
6 the territory to be annexed.

7 (b) The election must be called by the board on its own  
8 motion. The order calling the election shall specify the date, the  
9 place or places where the election shall be held, and the presiding  
10 election officers.

11 (c) Notice of the election shall be given by publishing a  
12 substantial copy of the order calling the election in a newspaper of  
13 general circulation in Brazoria County once a week for two  
14 consecutive weeks, the date of the first publication to be at least  
15 14 days before the date set for the election. (Acts 60th Leg.,  
16 R.S., Ch. 120, Sec. 4a (part).)

17 Sec. 1002.155. ASSUMPTION OF DEBTS AND TAXES. If the  
18 district has outstanding debts or taxes, the proposition for  
19 assumption of its proportion of the debts or taxes by the territory  
20 if annexed shall also be submitted at the election. The annexed  
21 territory shall bear its pro rata part of all indebtedness or taxes  
22 that may be owed, contracted, or authorized by the district. (Acts  
23 60th Leg., R.S., Ch. 120, Sec. 4a (part).)

24 [Sections 1002.156-1002.200 reserved for expansion]

#### 25 SUBCHAPTER E. DISSOLUTION

26 Sec. 1002.201. DISSOLUTION; ELECTION. (a) The district  
27 may be dissolved only on approval of a majority of the voters voting

1 in an election held for that purpose.

2 (b) The board may order an election on the question of  
3 dissolving the district and disposing of the district's assets and  
4 obligations.

5 (c) The board shall order an election on the question of  
6 dissolution of the district if the board receives a petition  
7 requesting an election that is signed by a number of residents of  
8 the district equal to at least 15 percent of the registered voters  
9 in the district.

10 (d) The election shall be held not later than the 60th day  
11 after the date the election is ordered.

12 (e) The order calling the election must state:

13 (1) the nature of the election, including the  
14 proposition that is to appear on the ballot;

15 (2) the date of the election;

16 (3) the hours during which the polls will be open; and

17 (4) the location of the polling places.

18 (f) Section 41.001(a), Election Code, does not apply to an  
19 election ordered under this section. (Acts 60th Leg., R.S., Ch.  
20 120, Secs. 20(a), (b), (c).)

21 Sec. 1002.202. NOTICE OF ELECTION. (a) The board shall  
22 give notice of the election by publishing a substantial copy of the  
23 election order in a newspaper with general circulation in the  
24 district once a week for two consecutive weeks.

25 (b) The first publication must appear at least 35 days  
26 before the date set for election. (Acts 60th Leg., R.S., Ch. 120,  
27 Sec. 20(d) (part).)

1           Sec. 1002.203. BALLOT. The ballot for the election shall  
2 be printed to permit voting for or against the proposition: "The  
3 dissolution of the Angleton-Danbury Hospital District of Brazoria  
4 County, Texas." (Acts 60th Leg., R.S., Ch. 120, Sec. 20(d) (part).)

5           Sec. 1002.204. ELECTION RESULTS. (a) If a majority of the  
6 votes in the election favor dissolution, the board shall find that  
7 the district is dissolved.

8           (b) If a majority of the votes in the election do not favor  
9 dissolution, the board shall continue to administer the district  
10 and another election on the question of dissolution may not be held  
11 before the first anniversary of the date of the most recent election  
12 to dissolve the district. (Acts 60th Leg., R.S., Ch. 120, Sec.  
13 20(e).)

14           Sec. 1002.205. TRANSFER           OR           ADMINISTRATION           OF  
15 ASSETS. (a) If a majority of the votes in the election held under  
16 this subchapter favor dissolution, the board shall:

17                 (1) transfer the land, buildings, improvements,  
18 equipment, and other assets that belong to the district to Brazoria  
19 County or another governmental agency in Brazoria County; or

20                 (2) administer the property, assets, and debts until  
21 all funds have been disposed of and all district debts have been  
22 paid or settled.

23           (b) If the board makes the transfer under Subsection (a)(1),  
24 the county or agency assumes all debts and obligations of the  
25 district at the time of the transfer, and the district is dissolved.  
26 (Acts 60th Leg., R.S., Ch. 120, Secs. 20(f), (g).)

27           Sec. 1002.206. SALE       OR       TRANSFER       OF       ASSETS       AND

1 LIABILITIES. (a) Notwithstanding any other provision of this  
2 subchapter, the district may not be dissolved unless the board  
3 provides for the sale or transfer of the district's assets and  
4 liabilities to another person or entity.

5 (b) The dissolution of the district and the sale or transfer  
6 of the district's assets or liabilities may not contravene a trust  
7 indenture or bond resolution relating to the outstanding bonds of  
8 the district. The dissolution and sale or transfer does not  
9 diminish or impair the rights of a holder of an outstanding bond,  
10 warrant, or other obligation of the district.

11 (c) The sale or transfer of the district's assets and  
12 liabilities must satisfy the debt and bond obligations of the  
13 district in a manner that protects the interests of the residents of  
14 the district, including the residents' collective property rights  
15 in the district's assets. The district may not transfer or dispose  
16 of the district's assets except for due compensation unless the  
17 transfer is made to another governmental agency that serves the  
18 district and the transferred assets are to be used for the benefit  
19 of the residents of the district.

20 (d) A grant from federal funds is an obligation to be repaid  
21 in satisfaction. (Acts 60th Leg., R.S., Ch. 120, Secs. 20(m), (n).)

22 Sec. 1002.207. IMPOSITION OF TAX AND RETURN OF SURPLUS  
23 TAXES. (a) After the board finds that the district is dissolved,  
24 the board shall:

- 25 (1) determine the debt owed by the district; and  
26 (2) impose on the property included in the district's  
27 tax rolls a tax that is in proportion of the debt to the property

1 value.

2 (b) When all outstanding debts and obligations of the  
3 district are paid, the board shall order the secretary to return the  
4 pro rata share of all unused tax money to each district taxpayer.

5 (c) A taxpayer may request that the taxpayer's share of  
6 surplus tax money be credited to the taxpayer's county taxes. If a  
7 taxpayer requests the credit, the board shall direct the secretary  
8 to transmit the funds to the county tax assessor-collector. (Acts  
9 60th Leg., R.S., Ch. 120, Secs. 20(h), (i), (j).)

10 Sec. 1002.208. REPORT; DISSOLUTION ORDER. (a) After the  
11 district has paid all its debts and has disposed of all its assets  
12 and funds as prescribed by this subchapter, the board shall file a  
13 written report with the Commissioners Court of Brazoria County  
14 summarizing the board's actions in dissolving the district.

15 (b) Not later than the 10th day after the date the  
16 Commissioners Court of Brazoria County receives the report and  
17 determines that the requirements of this subchapter have been  
18 fulfilled, the commissioners court shall enter an order dissolving  
19 the district and releasing the board from any further duty or  
20 obligation. (Acts 60th Leg., R.S., Ch. 120, Secs. 20(k), (l).)

21 [Sections 1002.209-1002.250 reserved for expansion]

#### 22 SUBCHAPTER F. DISTRICT FUNDS

23 Sec. 1002.251. DEPOSITORY. (a) The board by resolution  
24 shall designate a bank in Brazoria County as the district's  
25 depository.

26 (b) All district funds shall be secured in the manner  
27 provided for securing county funds.

1 (c) The designated bank serves for two years and until a  
2 successor is designated. (Acts 60th Leg., R.S., Ch. 120, Sec. 10.)

3 Sec. 1002.252. AUTHORITY TO BORROW MONEY;  
4 SECURITY. (a) The board may borrow money for district  
5 obligations.

6 (b) To secure a loan, the board may pledge:

7 (1) revenue of the district that is not pledged to pay  
8 the district's bonded indebtedness;

9 (2) taxes to be imposed by the district in the next  
10 12-month period that are not pledged to pay the principal of or  
11 interest on district bonds; or

12 (3) district bonds that have been authorized but not  
13 sold.

14 (c) A loan for which taxes or bonds are pledged must mature  
15 not later than the first anniversary of the date on which the loan  
16 is made. A loan for which district revenues are pledged must mature  
17 not later than the fifth anniversary of the date on which the loan  
18 is made. (Acts 60th Leg., R.S., Ch. 120, Sec. 12B.)

19 [Sections 1002.253-1002.300 reserved for expansion]

#### 20 SUBCHAPTER G. BONDS

21 Sec. 1002.301. GENERAL OBLIGATION BONDS. (a) The board  
22 may issue and sell bonds authorized by an election in the name and  
23 on the faith and credit of the district to:

24 (1) purchase, construct, acquire, repair, or renovate  
25 buildings or improvements; and

26 (2) equip buildings or improvements for hospital  
27 purposes.

1           (b) The bonds shall be sold at the time, in the manner, and  
2 under the terms determined by the board. (Acts 60th Leg., R.S., Ch.  
3 120, Sec. 12 (part).)

4           Sec. 1002.302. TAXES TO PAY GENERAL OBLIGATION  
5 BONDS. (a) The board shall impose an annual ad valorem tax in an  
6 amount sufficient to create an interest and sinking fund to pay the  
7 principal of and interest on the general obligation bonds as they  
8 mature.

9           (b) The tax required by this section together with any other  
10 tax the district imposes in any year may not exceed 75 cents on the  
11 \$100 valuation of all taxable property in the district. (Acts 60th  
12 Leg., R.S., Ch. 120, Sec. 12 (part).)

13           Sec. 1002.303. GENERAL OBLIGATION BOND ELECTION. (a) The  
14 district may issue general obligation bonds only if the bonds are  
15 authorized by a majority of the voters voting in an election held  
16 for that purpose.

17           (b) The board may call the election on its own motion. The  
18 order calling the election must specify:

- 19           (1) the date of the election;  
20           (2) the place or places where the election will be  
21 held;  
22           (3) the names of the presiding election officers;  
23           (4) the purpose for which the bonds are to be issued;  
24           (5) the amount of the bonds;  
25           (6) the maximum interest rate of the bonds; and  
26           (7) the maximum maturity of the bonds, which may not  
27 exceed 40 years from the date of issuance.



1 (c) Notice of a bond election shall be given by publishing a  
2 substantial copy of the order calling the election in a newspaper of  
3 general circulation in the district as provided by Section  
4 4.003(a)(1), Election Code. (Acts 60th Leg., R.S., Ch. 120, Sec. 12  
5 (part).)

6 Sec. 1002.304. EXECUTION OF GENERAL OBLIGATION BONDS. The  
7 board president shall execute the general obligation bonds in the  
8 name of the district. The board secretary shall countersign the  
9 bonds. (Acts 60th Leg., R.S., Ch. 120, Sec. 12 (part).)

10 Sec. 1002.305. INVESTMENT OF GENERAL OBLIGATION BOND  
11 PROCEEDS. Any part of the proceeds of general obligation bonds,  
12 until they are needed for the purpose for which the bonds were  
13 issued, may be invested in securities of the United States or  
14 placed on time deposit or in certificates of deposit. (Acts 60th  
15 Leg., R.S., Ch. 120, Sec. 12 (part).)

16 Sec. 1002.306. REVENUE BONDS. (a) The board may issue  
17 revenue bonds to:

18 (1) purchase, construct, repair, renovate, or acquire  
19 buildings, sites, or improvements and equip buildings, sites, or  
20 improvements for hospitals and the hospital system; and

21 (2) establish and maintain office facilities for staff  
22 physicians under Section 1002.058.

23 (b) The bonds must be payable from and secured by a pledge of  
24 all or part of the revenues derived from the operation of the  
25 district's hospital system, including district facilities.

26 (c) Bonds issued under Subsection (a)(1) may be  
27 additionally secured by a mortgage or deed of trust lien on all or

1 part of the district property.

2 (d) Bonds issued under Subsection (a)(1) must be issued in  
3 the manner provided by Sections 264.042, 264.043, 264.046, 264.047,  
4 264.048, and 264.049, Health and Safety Code.

5 (e) Bonds issued under Subsection (a)(2) must be issued in  
6 the manner provided by Sections 264.042-264.047(a), 264.048, and  
7 264.049, Health and Safety Code. (Acts 60th Leg., R.S., Ch. 120,  
8 Secs. 12A(d), (e).)

9 [Sections 1002.307-1002.350 reserved for expansion]

#### 10 SUBCHAPTER H. TAXES

11 Sec. 1002.351. IMPOSITION OF TAXES. (a) The board shall  
12 impose on all property subject to district taxation, for the  
13 benefit of the district, a tax at a rate not to exceed 75 cents on  
14 each \$100 assessed value of the property according to the most  
15 recent certified appraisal roll of the district.

16 (b) The board shall impose the tax to:

17 (1) meet the requirements of the district's bonds;

18 (2) provide for the district's maintenance and  
19 operating expenses;

20 (3) make improvements and additions to the district's  
21 hospitals or hospital system; and

22 (4) acquire necessary sites for hospitals or the  
23 hospital system by gift, purchase, lease, or condemnation. (Acts  
24 60th Leg., R.S., Ch. 120, Sec. 8 (part).)

25 Sec. 1002.352. TAX ASSESSOR-COLLECTOR. The board may  
26 provide for the appointment of a tax assessor-collector for the  
27 district or may contract for the assessment and collection of taxes

1 as provided by the Tax Code. (Acts 60th Leg., R.S., Ch. 120, Sec. 9  
2 (part).)

3 CHAPTER 1003. BOOKER HOSPITAL DISTRICT

4 SUBCHAPTER A. GENERAL PROVISIONS

5 Sec. 1003.001. DEFINITIONS

6 Sec. 1003.002. AUTHORITY FOR OPERATION

7 Sec. 1003.003. POLITICAL SUBDIVISION

8 Sec. 1003.004. DISTRICT TERRITORY

9 Sec. 1003.005. CORRECTION OF INVALID PROCEDURE

10 [Sections 1003.006-1003.050 reserved for expansion]

11 SUBCHAPTER B. DISTRICT ADMINISTRATION

12 Sec. 1003.051. BOARD

13 Sec. 1003.052. TERM; ELECTION

14 Sec. 1003.053. VACANCY

15 Sec. 1003.054. OFFICERS

16 Sec. 1003.055. COMPENSATION; EXPENSES

17 Sec. 1003.056. EMPLOYEES

18 Sec. 1003.057. MAINTENANCE OF RECORDS; PUBLIC

19 INSPECTION

20 Sec. 1003.058. SEAL

21 [Sections 1003.059-1003.100 reserved for expansion]

22 SUBCHAPTER C. POWERS AND DUTIES

23 Sec. 1003.101. DISTRICT RESPONSIBILITY

24 Sec. 1003.102. LIMITATION ON CERTAIN POLITICAL

25 SUBDIVISIONS

26 Sec. 1003.103. MANAGEMENT AND CONTROL

27 Sec. 1003.104. HOSPITAL SYSTEM

1    Sec. 1003.105.    RULES  
 2    Sec. 1003.106.    PURCHASING AND ACCOUNTING PROCEDURES  
 3    Sec. 1003.107.    EMINENT DOMAIN  
 4    Sec. 1003.108.    GIFTS AND ENDOWMENTS  
 5    Sec. 1003.109.    PAYMENT FOR TREATMENT; PROCEDURES  
 6    Sec. 1003.110.    AUTHORITY TO SUE AND BE SUED  
 7            [Sections 1003.111-1003.150 reserved for expansion]  
 8                        SUBCHAPTER D.    GENERAL FINANCIAL PROVISIONS  
 9    Sec. 1003.151.    BUDGET  
 10   Sec. 1003.152.    FISCAL YEAR  
 11   Sec. 1003.153.    ANNUAL AUDIT  
 12   Sec. 1003.154.    DEPOSITORY  
 13            [Sections 1003.155-1003.200 reserved for expansion]  
 14                        SUBCHAPTER E.    BONDS  
 15   Sec. 1003.201.    GENERAL OBLIGATION BONDS  
 16   Sec. 1003.202.    TAXES TO PAY GENERAL OBLIGATION BONDS  
 17   Sec. 1003.203.    GENERAL OBLIGATION BOND ELECTION  
 18   Sec. 1003.204.    EXECUTION OF GENERAL OBLIGATION BONDS  
 19   Sec. 1003.205.    REFUNDING BONDS  
 20            [Sections 1003.206-1003.250 reserved for expansion]  
 21                        SUBCHAPTER F.    TAXES  
 22   Sec. 1003.251.    IMPOSITION OF TAXES  
 23   Sec. 1003.252.    POWERS AND DUTIES OF COUNTY TAX ASSESSOR;  
 24                        FEES  
 25   Sec. 1003.253.    INTEREST, PENALTIES, AND DISCOUNTS  
 26                        CHAPTER 1003.    BOOKER HOSPITAL DISTRICT  
 27                        SUBCHAPTER A.    GENERAL PROVISIONS

1           Sec. 1003.001. DEFINITIONS. In this chapter:

2           (1) "Board" means the board of directors of the  
3 district.

4           (2) "Director" means a member of the board.

5           (3) "District" means the Booker Hospital District.  
6 (New.)

7           Sec. 1003.002. AUTHORITY FOR OPERATION. The Booker  
8 Hospital District operates under the authority of Section 9,  
9 Article IX, Texas Constitution. (Acts 58th Leg., R.S., Ch. 411,  
10 Sec. 1 (part).)

11          Sec. 1003.003. POLITICAL SUBDIVISION. The district is a  
12 political subdivision of this state. (Acts 58th Leg., R.S., Ch.  
13 411, Sec. 16 (part).)

14          Sec. 1003.004. DISTRICT TERRITORY. The district is  
15 composed of the territory described by Section 1, Chapter 411, Acts  
16 of the 58th Legislature, Regular Session, 1963. (New.)

17          Sec. 1003.005. CORRECTION OF INVALID PROCEDURE. If a court  
18 holds that any procedure under this chapter violates the  
19 constitution of this state or of the United States, the district by  
20 resolution may provide an alternative procedure that conforms with  
21 the constitution. (Acts 58th Leg., R.S., Ch. 411, Sec. 17 (part);  
22 Acts 63rd Leg., R.S., Ch. 541, Sec. 5 (part).)

23           [Sections 1003.006-1003.050 reserved for expansion]

24           SUBCHAPTER B. DISTRICT ADMINISTRATION

25          Sec. 1003.051. BOARD. The district is governed by a board  
26 of seven directors. (Acts 58th Leg., R.S., Ch. 411, Sec. 3(e)  
27 (part).)

1           Sec. 1003.052. TERM; ELECTION. (a) Unless a four-year  
2 term is established under Section 285.081, Health and Safety Code:

3                 (1) directors serve staggered terms of two years;

4                 (2) three directors shall be elected in odd-numbered  
5 years and four directors shall be elected in even-numbered years;  
6 and

7                 (3) a directors election shall be held on the first  
8 Saturday in May of each year to elect the appropriate number of  
9 directors.

10           (b) Directors are elected at large. (Acts 58th Leg., R.S.,  
11 Ch. 411, Secs. 3(e) (part), 3A(a).)

12           Sec. 1003.053. VACANCY. If a vacancy occurs in the office  
13 of director, the remaining directors shall appoint a director for  
14 the remainder of the unexpired term. (Acts 58th Leg., R.S., Ch.  
15 411, Sec. 3A(b).)

16           Sec. 1003.054. OFFICERS. The board shall elect a president  
17 and a secretary from among the directors to serve until the next  
18 directors election. (Acts 58th Leg., R.S., Ch. 411, Sec. 4 (part).)

19           Sec. 1003.055. COMPENSATION; EXPENSES. A director serves  
20 without compensation but may be reimbursed for actual expenses  
21 incurred in the performance of official duties on the approval of  
22 the expenses by the entire board. (Acts 58th Leg., R.S., Ch. 411,  
23 Sec. 4 (part).)

24           Sec. 1003.056. EMPLOYEES. The board may employ a general  
25 manager, attorney, financial advisor, bookkeeper, or architect.  
26 (Acts 58th Leg., R.S., Ch. 411, Sec. 7 (part).)

27           Sec. 1003.057. MAINTENANCE           OF           RECORDS;           PUBLIC

1 INSPECTION. All district records, including books, accounts,  
2 notices, minutes, and all other matters of the district and the  
3 operation of its facilities, shall be:

4 (1) maintained at the district office; and

5 (2) open to public inspection at the district office  
6 at all reasonable hours. (Acts 58th Leg., R.S., Ch. 411, Sec. 7  
7 (part).)

8 Sec. 1003.058. SEAL. The board may adopt a seal for the  
9 district. (Acts 58th Leg., R.S., Ch. 411, Sec. 7 (part).)

10 [Sections 1003.059-1003.100 reserved for expansion]

#### 11 SUBCHAPTER C. POWERS AND DUTIES

12 Sec. 1003.101. DISTRICT RESPONSIBILITY. The district has  
13 full responsibility for the operation of all hospital facilities  
14 for providing hospital care for the district's needy residents.  
15 (Acts 58th Leg., R.S., Ch. 411, Sec. 12 (part).)

16 Sec. 1003.102. LIMITATION ON CERTAIN POLITICAL  
17 SUBDIVISIONS. A political subdivision within the district may not  
18 impose taxes or issue bonds or other obligations for hospital  
19 purposes or to provide medical care for district residents. (Acts  
20 58th Leg., R.S., Ch. 411, Sec. 12 (part).)

21 Sec. 1003.103. MANAGEMENT AND CONTROL. The board has the  
22 complete management and control of all the business of the  
23 district, including the power to negotiate and contract with any  
24 person to purchase or lease land, to construct and equip a hospital  
25 system, to operate and maintain the hospital, and to negotiate and  
26 contract with other political subdivisions of the state or private  
27 individuals, associations, or corporations for those purposes.

1 (Acts 58th Leg., R.S., Ch. 411, Sec. 4 (part).)

2       Sec. 1003.104. HOSPITAL SYSTEM. The district may  
3 establish a hospital system to provide medical and hospital care to  
4 persons residing in the district. (Acts 58th Leg., R.S., Ch. 411,  
5 Sec. 2 (part).)

6       Sec. 1003.105. RULES. (a) The board may adopt rules  
7 governing the operation of the district, including district  
8 facilities.

9       (b) On approval by the board, the rules may be published in  
10 booklet form at district expense and made available to any taxpayer  
11 on request. (Acts 58th Leg., R.S., Ch. 411, Sec. 7 (part).)

12       Sec. 1003.106. PURCHASING AND ACCOUNTING PROCEDURES. (a)  
13 The board may prescribe the method and manner of the making of  
14 purchases and expenditures by the district.

15       (b) The board shall prescribe:

16           (1) all accounting and control procedures; and

17           (2) the method of purchasing necessary supplies,  
18 materials, and equipment. (Acts 58th Leg., R.S., Ch. 411, Sec. 7  
19 (part).)

20       Sec. 1003.107. EMINENT DOMAIN. (a) The district may  
21 exercise the power of eminent domain to acquire a fee simple or  
22 other interest in any type of property, real, personal, or mixed,  
23 located in the territory of the district if the interest is  
24 necessary or convenient for the district to exercise the rights,  
25 powers, privileges, or functions conferred by this chapter.

26       (b) The district must exercise the power of eminent domain  
27 in the manner provided by Chapter 21, Property Code, but the



1 district is not required to deposit in the trial court money or bond  
2 as provided by Section 21.021(a), Property Code.

3 (c) In a condemnation proceeding brought by the district,  
4 the district is not required to:

5 (1) pay in advance or provide bond or other security  
6 for costs in the trial court;

7 (2) provide bond for the issuance of a temporary  
8 restraining order or a temporary injunction; or

9 (3) provide bond for costs or supersedeas on an appeal  
10 or writ of error. (Acts 58th Leg., R.S., Ch. 411, Sec. 9.)

11 Sec. 1003.108. GIFTS AND ENDOWMENTS. The board may accept  
12 for the district a gift or endowment to be held in trust and  
13 administered by the board for the purposes and under the  
14 directions, limitations, or other provisions prescribed in writing  
15 by the donor that are not inconsistent with the proper management  
16 and objectives of the district. (Acts 58th Leg., R.S., Ch. 411,  
17 Sec. 14.)

18 Sec. 1003.109. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
19 When a patient from the county has been admitted to a district  
20 facility, the board shall require an inquiry into the circumstances  
21 of:

22 (1) the patient; and

23 (2) the patient's relatives who are legally liable for  
24 the patient's support.

25 (b) If an agent designated by the district to handle these  
26 affairs finds that the patient or the relatives are not able to pay  
27 all or part of the costs of the care and treatment in the hospital,

1 the care and treatment shall become a charge on the district.

2 (c) If the agent finds that the patient or the patient's  
3 relatives are liable to pay for all or part of the costs of the care  
4 and treatment, an order shall be made directing the patient or the  
5 relatives to pay a specified amount per week to the treasurer for  
6 the support of the patient. The amount ordered must be  
7 proportionate to financial ability and may not exceed the actual  
8 per capita cost of maintenance.

9 (d) The district may collect the sum from the patient's  
10 estate, or from any relatives legally liable for the patient's  
11 support, in the manner provided by law for the collection of  
12 expenses of the last illness of a deceased person.

13 (e) If there is a dispute as to the ability to pay, or doubt  
14 in the mind of the district's designated agent, the board shall hear  
15 and determine the dispute or resolve the doubt, after calling  
16 witnesses, and shall make a proper order. The order may be appealed  
17 to the district court by either party to the dispute. (Acts 58th  
18 Leg., R.S., Ch. 411, Sec. 13.)

19 Sec. 1003.110. AUTHORITY TO SUE AND BE SUED. As a  
20 governmental agency, the district may sue and be sued in its own  
21 name in any court of this state. (Acts 58th Leg., R.S., Ch. 411,  
22 Sec. 16 (part).)

23 [Sections 1003.111-1003.150 reserved for expansion]

#### 24 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

25 Sec. 1003.151. BUDGET. (a) Each year, the board shall  
26 prepare a budget showing for the following fiscal year:

27 (1) the proposed expenditures and disbursements;

1                   (2)   the estimated receipts and collections; and  
2                   (3)   the amount of taxes required to be imposed during  
3 the year.

4           (b)   The board shall hold a public hearing on the proposed  
5 budget. At least 10 days before the date of hearing, at least one  
6 notice of the hearing shall be published in a newspaper of general  
7 circulation in the county.

8           (c)   Any district taxpayer is entitled to appear at the time  
9 and place designated in the notice and to be heard regarding any  
10 item shown in the proposed budget. (Acts 58th Leg., R.S., Ch. 411,  
11 Sec. 8 (part).)

12           Sec. 1003.152. FISCAL YEAR. The district's fiscal year  
13 begins on October 1 and ends on September 30. (Acts 58th Leg.,  
14 R.S., Ch. 411, Sec. 8 (part).)

15           Sec. 1003.153. ANNUAL AUDIT. (a) For each fiscal year,  
16 the board shall have an independent audit made of the district's  
17 books and records.

18           (b)   Not later than December 31 each year, the audit shall be  
19 filed with the comptroller and at the district office. (Acts 58th  
20 Leg., R.S., Ch. 411, Sec. 8 (part).)

21           Sec. 1003.154. DEPOSITORY. (a) The board by resolution  
22 shall designate one or more banks in the district as the district's  
23 depository or treasurer. A designated bank serves for two years and  
24 until a successor is designated.

25           (b)   All income received by the district, including tax  
26 revenue after deducting discounts and fees for assessing and  
27 collecting the taxes, shall be deposited with the district

1 depository and may be withdrawn only as provided by this chapter.

2 (c) All district funds shall be secured in the manner  
3 provided for securing county funds. (Acts 58th Leg., R.S., Ch. 411,  
4 Secs. 5 (part), 10.)

5 [Sections 1003.155-1003.200 reserved for expansion]

6 SUBCHAPTER E. BONDS

7 Sec. 1003.201. GENERAL OBLIGATION BONDS. The board may  
8 issue and sell bonds in the name and on the faith and credit of the  
9 district to:

10 (1) purchase, construct, acquire, repair, or renovate  
11 buildings or improvements; and

12 (2) equip buildings or improvements for hospital  
13 purposes. (Acts 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

14 Sec. 1003.202. TAXES TO PAY GENERAL OBLIGATION  
15 BONDS. (a) The board shall impose an ad valorem tax in an amount  
16 sufficient to create an interest and sinking fund to pay the  
17 principal of and interest on the general obligation bonds as they  
18 mature.

19 (b) The tax required by this section together with any other  
20 tax the district imposes in any year may not exceed 75 cents on each  
21 \$100 assessed value of the property according to the most recent  
22 certified tax appraisal roll of the district. (Acts 58th Leg.,  
23 R.S., Ch. 411, Sec. 6 (part).)

24 Sec. 1003.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
25 district may issue general obligation bonds only if the bonds are  
26 authorized by a majority of the voters voting at an election held  
27 for that purpose.

1           (b) The board may call an election on its own motion and must  
2 specify:

3               (1) the place or places where the election will be  
4 held;

5               (2) the presiding election officers;

6               (3) the purpose for which the bonds are to be issued;

7               (4) the amount of the bonds;

8               (5) the maximum interest rate of the bonds; and

9               (6) the maximum maturity of the bonds, which may not  
10 exceed 40 years from the date of issuance.

11           (c) Notice of a bond election shall be given by publishing a  
12 substantial copy of the order calling the election in a newspaper of  
13 general circulation in the district once a week for two consecutive  
14 weeks before the date of the election. The first publication must  
15 occur not later than the 21st day before the date set for the  
16 election.

17           (d) The district shall pay the costs of the election. (Acts  
18 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

19           Sec. 1003.204. EXECUTION OF GENERAL OBLIGATION BONDS. The  
20 board president shall execute the general obligation bonds in the  
21 name of the district. The board secretary shall countersign the  
22 bonds. (Acts 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

23           Sec. 1003.205. REFUNDING BONDS. (a) The board may,  
24 without an election, issue refunding bonds to refund outstanding  
25 bonds issued or assumed by the district.

26           (b) Subject to Subsection (c), a refunding bond may be:

27               (1) sold, with the proceeds of the refunding bonds

1 applied to the payment of the bonds to be refunded; or

2 (2) exchanged in whole or in part for not less than a  
3 like amount of bonds to be refunded and the matured but unpaid  
4 interest on those bonds.

5 (c) The average annual interest cost on the refunding bonds,  
6 computed in accordance with recognized standard bond interest cost  
7 tables, may not exceed the average annual interest cost on the bonds  
8 to be refunded, unless the total interest cost on the refunding  
9 bonds to their maturity dates is less than the total interest cost  
10 on the bonds to be refunded.

11 (d) Any premium required to be paid, as a condition to  
12 payment in advance of the stated maturity dates, on the bonds to be  
13 refunded must be included in computing the net interest cost to the  
14 district of the refunding bonds. (Acts 58th Leg., R.S., Ch. 411,  
15 Sec. 6 (part).)

16 [Sections 1003.206-1003.250 reserved for expansion]

17 SUBCHAPTER F. TAXES

18 Sec. 1003.251. IMPOSITION OF TAXES. (a) The board shall  
19 impose on all property subject to district taxation, for the  
20 benefit of the district, a tax at a rate not to exceed 75 cents on  
21 each \$100 assessed value of the property according to the most  
22 recent certified tax appraisal roll of the district.

23 (b) The board shall impose the tax to:

24 (1) pay the principal of and interest on, and to create  
25 an interest and sinking fund for, bonds that may have been assumed  
26 or that may be issued by the district for hospital purposes;

27 (2) provide for the operation and maintenance of the

1 hospital or hospital system;

2 (3) make improvements and additions to the hospital  
3 system; and

4 (4) acquire necessary sites for the hospital system by  
5 purchase, lease, or condemnation. (Acts 58th Leg., R.S., Ch. 411,  
6 Sec. 5 (part).)

7 Sec. 1003.252. POWERS AND DUTIES OF COUNTY TAX ASSESSOR;  
8 FEES. (a) The county tax assessor and collector shall collect the  
9 tax imposed under this subchapter unless the board by majority vote  
10 appoints a tax assessor and collector under Section 285.041, Health  
11 and Safety Code.

12 (b) The county tax assessor and collector shall charge and  
13 deduct from payments to the district a fee for imposing the tax in  
14 an amount determined by the board not to exceed the lesser of one  
15 percent of the amount collected or \$5,000 for the fiscal year. The  
16 fees shall be deposited in the county's general fund and shall be  
17 reported as fees of the tax assessor and collector. (Acts 58th  
18 Leg., R.S., Ch. 411, Secs. 5 (part), 5(a) (part), 8 (part).)

19 Sec. 1003.253. INTEREST, PENALTIES, AND DISCOUNTS.  
20 Interest, penalties, and discounts on taxes paid to the district  
21 shall be the same as for county taxes. (Acts 58th Leg., R.S., Ch.  
22 411, Sec. 5 (part).)

23 [Chapters 1004-3000 reserved for expansion]

24 TITLE 4. DEVELOPMENT AND IMPROVEMENT

25 SUBTITLE A. AGRICULTURE

26 CHAPTER 3001. SOUTHEAST TEXAS AGRICULTURAL DEVELOPMENT

27 DISTRICT

1 SUBCHAPTER A. GENERAL PROVISIONS

2 Sec. 3001.001. DEFINITIONS

3 Sec. 3001.002. SOUTHEAST TEXAS AGRICULTURAL

4 DEVELOPMENT DISTRICT

5 Sec. 3001.003. PURPOSE AND NATURE OF DISTRICT

6 Sec. 3001.004. DISTRICT TERRITORY

7 Sec. 3001.005. APPLICABILITY OF AND RELATION TO OTHER LAW

8 [Sections 3001.006-3001.050 reserved for expansion]

9 SUBCHAPTER B. BOARD OF DIRECTORS

10 Sec. 3001.051. BOARD OF DIRECTORS

11 Sec. 3001.052. QUALIFICATIONS

12 Sec. 3001.053. TERMS

13 Sec. 3001.054. DIRECTOR'S BOND

14 Sec. 3001.055. REMOVAL; VACANCY

15 Sec. 3001.056. OFFICERS

16 Sec. 3001.057. MEETINGS

17 Sec. 3001.058. COMPENSATION; REIMBURSEMENT

18 Sec. 3001.059. CONFLICT OF INTEREST; DISCLOSURE REQUIRED

19 [Sections 3001.060-3001.100 reserved for expansion]

20 SUBCHAPTER C. POWERS AND DUTIES

21 Sec. 3001.101. GENERAL POWERS AND DUTIES

22 Sec. 3001.102. LIMITATION ON DISTRICT POWERS

23 Sec. 3001.103. EXERCISE OF POWERS OUTSIDE DISTRICT

24 Sec. 3001.104. IMPOSITION OF AD VALOREM TAX

25 PROHIBITED

26 Sec. 3001.105. RULEMAKING

27 Sec. 3001.106. EXECUTIVE DIRECTOR; EMPLOYEES



1    Sec. 3001.107.    ECONOMIC DEVELOPMENT  
2    Sec. 3001.108.    AGRICULTURAL DEVELOPMENT  
3    Sec. 3001.109.    SUGAR MILL OR OTHER ENTERPRISE  
4    Sec. 3001.110.    DESIGNATION OF AGRICULTURAL PROJECTS  
5    Sec. 3001.111.    AGRICULTURAL RESEARCH  
6    Sec. 3001.112.    TRANSPORTATION  
7    Sec. 3001.113.    RELATIONSHIP WITH NAVIGATION DISTRICT  
8    Sec. 3001.114.    ACQUISITION OR DISPOSITION OF PROPERTY  
9    Sec. 3001.115.    EMINENT DOMAIN  
10   Sec. 3001.116.    ANNEXATION AND EXCLUSION OF  
11                      TERRITORY  
12   Sec. 3001.117.    AGREEMENTS  
13   Sec. 3001.118.    DONATIONS; GRANTS  
14   Sec. 3001.119.    HEARINGS  
15   Sec. 3001.120.    SUITS  
16   Sec. 3001.121.    INDEMNIFICATION  
17   Sec. 3001.122.    OFFICIAL SEAL  
18                      [Sections 3001.123-3001.150 reserved for expansion]  
19                      SUBCHAPTER D. FINANCES AND OBLIGATIONS  
20   Sec. 3001.151.    POWERS AND DUTIES RELATED TO FINANCES  
21   Sec. 3001.152.    OBLIGATIONS  
22   Sec. 3001.153.    APPROVAL OF ASSESSMENT OBLIGATIONS  
23                      [Sections 3001.154-3001.200 reserved for expansion]  
24                      SUBCHAPTER E. ASSESSMENTS  
25   Sec. 3001.201.    GENERAL POWERS RELATED TO ASSESSMENTS  
26   Sec. 3001.202.    AREA TO BE ASSESSED; LIMITATIONS  
27   Sec. 3001.203.    HEARING AND PETITION REQUIRED

1    Sec. 3001.204.    APPORTIONMENT OF COSTS  
2    Sec. 3001.205.    ASSESSMENT TO FINANCE PROJECT OR SERVICE  
3    Sec. 3001.206.    ASSESSMENT ROLL  
4    Sec. 3001.207.    ASSESSMENT AS LIEN  
5    Sec. 3001.208.    CORRECTION OF MISTAKE  
6    Sec. 3001.209.    NOTICE OF HEARING ON PROPOSED ASSESSMENT  
7    Sec. 3001.210.    CONDUCT OF HEARING; FINDINGS  
8    Sec. 3001.211.    BOARD ORDER IMPOSING ASSESSMENT  
9    Sec. 3001.212.    REHEARING  
10   Sec. 3001.213.    NOTICE OF ASSESSMENT  
11   Sec. 3001.214.    APPEAL TO COURT  
12   Sec. 3001.215.    NEW ASSESSMENT AFTER INVALID  
13                      PRIOR ASSESSMENT  
14                      [Sections 3001.216-3001.250 reserved for expansion]  
15                      SUBCHAPTER F.   DISSOLUTION  
16   Sec. 3001.251.    DISSOLUTION  
17                      CHAPTER 3001.   SOUTHEAST TEXAS AGRICULTURAL  
18                      DEVELOPMENT DISTRICT  
19                      SUBCHAPTER A.   GENERAL PROVISIONS  
20                      Sec. 3001.001.   DEFINITIONS.   In this chapter:  
21                      (1)   "Assessment"   includes   a   reassessment   or  
22   supplemental assessment.  
23                      (2)   "Board"   means   the   board   of   directors   of   the  
24   district.  
25                      (3)   "Director" means a board member.  
26                      (4)   "District" means the Southeast Texas Agricultural  
27   Development District.

1           (5) "Obligation" means an obligation issued by the  
2 district under this chapter, including a bond, certificate, note,  
3 or other evidence of indebtedness.

4           (6) "Project" means an agricultural project  
5 designated under Section 3001.110. (Loc. Gov. Code, Secs.  
6 384.001(1), (2), (3), (5), (6), (7), as added Acts 76th Leg., R.S.,  
7 Ch. 1578.)

8           Sec. 3001.002. SOUTHEAST TEXAS AGRICULTURAL DEVELOPMENT  
9 DISTRICT. (a) The Southeast Texas Agricultural Development  
10 District is created as a special district.

11           (b) The board by resolution may change the district's name.  
12 (Loc. Gov. Code, Sec. 384.021, as added Acts 76th Leg., R.S., Ch.  
13 1578.)

14           Sec. 3001.003. PURPOSE AND NATURE OF DISTRICT. (a) The  
15 district is created as a conservation and reclamation district  
16 under Section 59, Article XVI, Texas Constitution, to:

17           (1) conserve and develop the natural resources of this  
18 state, including certain agricultural resources;

19           (2) conserve the soil for certain agricultural uses;

20           (3) reclaim or drain overflowed lands or provide  
21 necessary irrigation for certain natural agricultural resources;  
22 and

23           (4) provide credit, grants, or other things of value  
24 to aid persons as provided by Section 52(a), Article III, Texas  
25 Constitution.

26           (b) The district exercises public and essential  
27 governmental functions.

1 (c) The creation of the district is a program essential to  
2 accomplish the purposes of Section 52-a, Article III, Texas  
3 Constitution, and other public purposes stated in this chapter.  
4 (Loc. Gov. Code, Secs. 384.022(a), (b), (d), as added Acts 76th  
5 Leg., R.S., Ch. 1578.)

6 Sec. 3001.004. DISTRICT TERRITORY. (a) The district  
7 includes all of the territory of Chambers County that is east of the  
8 center line of the Trinity River and north of the center line of the  
9 Gulf Intracoastal Waterway, other than property located inside the  
10 municipal boundaries of an incorporated municipality as of January  
11 1, 1999, as that territory may have been modified under:

12 (1) Section 3001.116, or its predecessor statute,  
13 former Section 384.052, Local Government Code; or

14 (2) other law.

15 (b) The boundaries of the district form a closure. A  
16 mistake in the description of the boundaries or in copying the  
17 description in the legislative process does not affect the  
18 district's:

19 (1) organization, existence, or validity;

20 (2) right to issue any type of bond for the purposes  
21 for which the district is created or to pay the principal of and  
22 interest on a bond;

23 (3) right to impose or collect an assessment; or

24 (4) legality or operation. (Loc. Gov. Code, Secs.  
25 384.023, 384.024, as added Acts 76th Leg., R.S., Ch. 1578; New.)

26 Sec. 3001.005. APPLICABILITY OF AND RELATION TO OTHER  
27 LAW. (a) Chapter 49, Water Code, does not apply to the district.

1 (b) The district's authority under this chapter is not  
2 intended to duplicate the authority granted to the Chambers-Liberty  
3 Counties Navigation District or to limit the authority or  
4 jurisdiction of the navigation district. To the extent the laws of  
5 this chapter conflict with the laws of that navigation district,  
6 the laws of the navigation district control over this chapter.  
7 (Loc. Gov. Code, Secs. 384.022(c), 384.046(c), as added Acts 76th  
8 Leg., R.S., Ch. 1578.)

9 [Sections 3001.006-3001.050 reserved for expansion]

10 SUBCHAPTER B. BOARD OF DIRECTORS

11 Sec. 3001.051. BOARD OF DIRECTORS. (a) The district is  
12 governed by a board of nine directors.

13 (b) The board by resolution may increase or decrease the  
14 number of directors on the board if the board determines that to do  
15 so is in the best interest of the district. The board may not have  
16 more than 15 directors. (Loc. Gov. Code, Sec. 384.081(a), as added  
17 Acts 76th Leg., R.S., Ch. 1578.)

18 Sec. 3001.052. QUALIFICATIONS. (a) To serve as a  
19 director, a person must be at least 18 years old and:

- 20 (1) reside in the district;  
21 (2) own property in the district; or  
22 (3) be an agent, employee, or tenant of a person who  
23 owns property in the district.

24 (b) At least five directors must reside in or own property  
25 in Chambers County. (Loc. Gov. Code, Sec. 384.081(b) (part), as  
26 added Acts 76th Leg., R.S., Ch. 1578.)

27 Sec. 3001.053. TERMS. The county commissioners court

1 shall appoint the directors to serve staggered four-year terms with  
2 as near as possible to one-half of the directors' terms expiring on  
3 June 1 of each odd-numbered year. (Loc. Gov. Code, Sec. 384.081(b)  
4 (part), as added Acts 76th Leg., R.S., Ch. 1578.)

5 Sec. 3001.054. DIRECTOR'S BOND. (a) As soon as  
6 practicable after a director is appointed, the director shall  
7 execute a \$10,000 bond payable to the district and conditioned on  
8 the faithful performance of the director's duties.

9 (b) Each director's bond must be approved by the board.

10 (c) The bond shall be filed with and retained by the  
11 district. (Loc. Gov. Code, Sec. 384.088, as added Acts 76th Leg.,  
12 R.S., Ch. 1578.)

13 Sec. 3001.055. REMOVAL; VACANCY. (a) The county  
14 commissioners court may remove a director for misconduct or failure  
15 to carry out the director's duties on petition by a majority of the  
16 other directors and after notice and hearing.

17 (b) If a vacancy occurs on the board, the remaining  
18 directors shall appoint a director for the remainder of the  
19 unexpired term. (Loc. Gov. Code, Sec. 384.082, as added Acts 76th  
20 Leg., R.S., Ch. 1578.)

21 Sec. 3001.056. OFFICERS. (a) The board shall elect from  
22 its directors a president, vice president, and secretary.

23 (b) The board by rule may provide for the election of other  
24 officers. (Loc. Gov. Code, Sec. 384.081(c), as added Acts 76th  
25 Leg., R.S., Ch. 1578.)

26 Sec. 3001.057. MEETINGS. The board shall meet at least  
27 once every three months and at the call of the presiding officer or

1 a majority of the directors. (Loc. Gov. Code, Sec. 384.083, as  
2 added Acts 76th Leg., R.S., Ch. 1578.)

3 Sec. 3001.058. COMPENSATION; REIMBURSEMENT. A director  
4 serves without compensation but shall be reimbursed for a  
5 reasonable and necessary expense incurred in performing an official  
6 duty. (Loc. Gov. Code, Sec. 384.087, as added Acts 76th Leg., R.S.,  
7 Ch. 1578.)

8 Sec. 3001.059. CONFLICT OF INTEREST; DISCLOSURE  
9 REQUIRED. (a) Except as provided by this section:

10 (1) a director may participate in all board votes and  
11 decisions; and

12 (2) Chapter 171, Local Government Code, governs  
13 conflicts of interest for directors.

14 (b) Section 171.004, Local Government Code, does not apply  
15 to the district. A director who has a substantial interest in a  
16 business or charitable entity that will receive a pecuniary benefit  
17 from a board action shall file an affidavit with the board secretary  
18 declaring the interest. Another affidavit is not required if the  
19 director's interest changes.

20 (c) After the affidavit is filed, the director may  
21 participate in a discussion or vote on that action if:

22 (1) a majority of the directors have similar interests  
23 in the same entity; or

24 (2) all similar business or charitable entities in the  
25 district will receive a similar pecuniary benefit.

26 (d) A director who is an officer or employee of a public  
27 entity may not participate in a discussion of or vote on a matter

1 regarding a contract with the public entity.

2 (e) For purposes of this section, a director has a  
3 substantial interest in a charitable entity in the same manner that  
4 a person would have a substantial interest in a business entity  
5 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
6 Sec. 384.089, as added Acts 76th Leg., R.S., Ch. 1578.)

7 [Sections 3001.060-3001.100 reserved for expansion]

#### 8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 3001.101. GENERAL POWERS AND DUTIES. (a) The  
10 district has the powers and duties that are necessary or desirable  
11 to carry out a power or duty expressly or implicitly granted under  
12 this chapter.

13 (b) The district may perform acts necessary to perform the  
14 purposes of this chapter. (Loc. Gov. Code, Secs. 384.041(a), (b),  
15 as added Acts 76th Leg., R.S., Ch. 1578.)

16 Sec. 3001.102. LIMITATION ON DISTRICT POWERS. The  
17 district may not exercise a power unless it furthers the purposes of  
18 this chapter. (Loc. Gov. Code, Sec. 384.055, as added Acts 76th  
19 Leg., R.S., Ch. 1578.)

20 Sec. 3001.103. EXERCISE OF POWERS OUTSIDE DISTRICT. The  
21 district may exercise any of its powers outside the district  
22 territory if the board determines that there is a benefit to the  
23 district in exercising that power. (Loc. Gov. Code, Sec. 384.053,  
24 as added Acts 76th Leg., R.S., Ch. 1578.)

25 Sec. 3001.104. IMPOSITION OF AD VALOREM TAX  
26 PROHIBITED. The district may not impose an ad valorem tax. (Loc.  
27 Gov. Code, Sec. 384.041(c), as added Acts 76th Leg., R.S., Ch.



1 1578.)

2 Sec. 3001.105. RULEMAKING. The board may adopt rules:

3 (1) necessary or convenient to carry out district  
4 powers and duties;

5 (2) to govern its affairs;

6 (3) to preserve the public health and welfare  
7 concerning the agricultural products submitted to the district for  
8 harvesting, processing, distributing, or transporting; and

9 (4) to establish a priority on the use of district  
10 property and services, including the payment of fees. (Loc. Gov.  
11 Code, Sec. 384.084, as added Acts 76th Leg., R.S., Ch. 1578.)

12 Sec. 3001.106. EXECUTIVE DIRECTOR; EMPLOYEES. The board  
13 may employ:

14 (1) an executive director to manage the district's  
15 daily operations; and

16 (2) other persons necessary to carry out the  
17 district's duties. (Loc. Gov. Code, Sec. 384.086, as added Acts  
18 76th Leg., R.S., Ch. 1578.)

19 Sec. 3001.107. ECONOMIC DEVELOPMENT. (a) The district  
20 may encourage state economic development as provided by this  
21 chapter, including making a loan or grant of public money for the  
22 purposes of this chapter.

23 (b) The district may encourage the economic development of  
24 the district by:

25 (1) fostering the growth of enterprises based on  
26 certain types of agriculture;

27 (2) stimulating innovation in certain agricultural

1 enterprises;

2 (3) seeking to eliminate unemployment or  
3 underemployment in the state; and

4 (4) developing or expanding transportation resources.  
5 (Loc. Gov. Code, Sec. 384.042, as added Acts 76th Leg., R.S., Ch.  
6 1578.)

7 Sec. 3001.108. AGRICULTURAL DEVELOPMENT. The district  
8 may:

9 (1) promote all agricultural enterprises, facilities,  
10 and services of the district; and

11 (2) encourage the maintenance and conservation of soil  
12 in the district. (Loc. Gov. Code, Sec. 384.043, as added Acts 76th  
13 Leg., R.S., Ch. 1578.)

14 Sec. 3001.109. SUGAR MILL OR OTHER ENTERPRISE. (a) The  
15 district may design, construct, and operate a sugar mill or other  
16 agricultural enterprise.

17 (b) The district may acquire property necessary for a sugar  
18 mill or other agricultural enterprise, including vehicles, farm  
19 equipment, other machinery, and related facilities for harvesting,  
20 processing, storing, distributing, and transporting sugar cane or  
21 other agricultural products or by-products. (Loc. Gov. Code, Sec.  
22 384.044, as added Acts 76th Leg., R.S., Ch. 1578.)

23 Sec. 3001.110. DESIGNATION OF AGRICULTURAL PROJECTS. (a)  
24 The district may designate as an agricultural project a project  
25 that relates to:

26 (1) the development of agriculture in the district and  
27 surrounding areas; and

1           (2) the preservation and conservation of the soil in  
2 the district for agricultural purposes.

3           (b) A project designated under Subsection (a) is for a  
4 public purpose.

5           (c) The cost of a project, including interest during  
6 construction and the cost of issuing obligations, may be paid from  
7 any source.

8           (d) The implementation of a project is a governmental  
9 function or service for purposes of Chapter 791, Government Code.  
10 (Loc. Gov. Code, Sec. 384.045, as added Acts 76th Leg., R.S., Ch.  
11 1578.)

12           Sec. 3001.111. AGRICULTURAL RESEARCH. The district may  
13 conduct or pay for research for agricultural purposes. (Loc. Gov.  
14 Code, Sec. 384.050, as added Acts 76th Leg., R.S., Ch. 1578.)

15           Sec. 3001.112. TRANSPORTATION. The district may encourage  
16 the transportation and distribution of the district's agricultural  
17 products through the development and operation of transportation  
18 structures necessary to further the purposes of this chapter,  
19 including railroads and private roads. (Loc. Gov. Code, Sec.  
20 384.046(a), as added Acts 76th Leg., R.S., Ch. 1578.)

21           Sec. 3001.113. RELATIONSHIP WITH NAVIGATION DISTRICT. The  
22 district may cooperate and contract with the Chambers-Liberty  
23 Counties Navigation District on any area of mutual interest. (Loc.  
24 Gov. Code, Sec. 384.046(b), as added Acts 76th Leg., R.S., Ch.  
25 1578.)

26           Sec. 3001.114. ACQUISITION OR DISPOSITION OF  
27 PROPERTY. The district may acquire or dispose of property in any

1 manner, including by:

2 (1) conveyance;

3 (2) mortgage; or

4 (3) lease, as lessor or lessee. (Loc. Gov. Code, Sec.  
5 384.048, as added Acts 76th Leg., R.S., Ch. 1578.)

6 Sec. 3001.115. EMINENT DOMAIN. The district may not  
7 exercise the power of eminent domain. (Loc. Gov. Code, Sec.  
8 384.049, as added Acts 76th Leg., R.S., Ch. 1578.)

9 Sec. 3001.116. ANNEXATION AND EXCLUSION OF  
10 TERRITORY. (a) The district may annex land as provided by Section  
11 49.301 or 49.302, Water Code, except that the references in those  
12 sections related to taxes do not apply. As provided by those  
13 sections, the district may annex land that is not adjacent or  
14 contiguous to the district.

15 (b) The board may call on its own motion a hearing on the  
16 question of the exclusion of land from the district as provided by  
17 Section 49.304 or 49.307, Water Code, if:

18 (1) the district does not have outstanding  
19 obligations; and

20 (2) the proposed exclusion is practicable, just, or  
21 desirable.

22 (c) The board shall call a hearing on the exclusion of land  
23 or other property from the district as provided by Section 49.304 or  
24 49.307, Water Code, if a property owner in the district files with  
25 the board secretary a written petition requesting the hearing  
26 before the issuance of an obligation. (Loc. Gov. Code, Sec.  
27 384.052, as added Acts 76th Leg., R.S., Ch. 1578.)

1           Sec. 3001.117. AGREEMENTS. (a) The district may:

2               (1) enter into an agreement with any person for any  
3 district purpose, including an agreement:

4                   (A) to operate or maintain an agricultural  
5 enterprise under Sections 3001.108 and 3001.109; or

6                   (B) with a municipality or county to provide law  
7 enforcement service in the district on a fee basis; and

8               (2) accept a loan from any person.

9           (b) The district, county, and any other political  
10 subdivision, without further authorization, may contract to  
11 implement a project or assist the district in providing a service  
12 authorized by this chapter. A contract under this subsection may  
13 provide:

14               (1) for payment from a district assessment or other  
15 revenue; or

16               (2) that an assessment or other revenue collected from  
17 a project, or from a person using or purchasing a commodity or  
18 service from a project, may be paid or rebated to the district.  
19 (Loc. Gov. Code, Sec. 384.047(a) (part), (b), as added Acts 76th  
20 Leg., R.S., Ch. 1578.)

21           Sec. 3001.118. DONATIONS; GRANTS. The district may accept  
22 a donation or grant from any person. (Loc. Gov. Code, Sec.  
23 384.047(a) (part), as added Acts 76th Leg., R.S., Ch. 1578.)

24           Sec. 3001.119. HEARINGS. (a) The board may conduct  
25 hearings and take evidence on any matter before the board.

26               (b) The board may appoint a hearings examiner to conduct a  
27 hearing called by the board. The hearings examiner may be a

1 district employee or director. (Loc. Gov. Code, Sec. 384.085, as  
2 added Acts 76th Leg., R.S., Ch. 1578.)

3 Sec. 3001.120. SUITS. (a) The district may sue and be  
4 sued.

5 (b) In a suit against the district, process may be served on  
6 a director or registered agent.

7 (c) The district may not be required to give a bond on an  
8 appeal or writ of error in a civil case that the district is  
9 prosecuting or defending. (Loc. Gov. Code, Secs. 384.051(a), (b),  
10 (c), as added Acts 76th Leg., R.S., Ch. 1578.)

11 Sec. 3001.121. INDEMNIFICATION. The district may  
12 indemnify a director or district employee or a former director or  
13 district employee for reasonable expenses and costs, including  
14 attorney's fees, incurred by the person in connection with a claim  
15 or charge asserted against the person if:

16 (1) the claim or charge relates to an act or omission  
17 of the person when acting in the scope of the person's board  
18 membership or district employment; and

19 (2) the person has not been found liable on the claim  
20 or guilty on the charge. (Loc. Gov. Code, Sec. 384.051(d), as added  
21 Acts 76th Leg., R.S., Ch. 1578.)

22 Sec. 3001.122. OFFICIAL SEAL. The district may adopt an  
23 official seal for the district. (Loc. Gov. Code, Sec. 384.054, as  
24 added Acts 76th Leg., R.S., Ch. 1578.)

25 [Sections 3001.123-3001.150 reserved for expansion]

26 SUBCHAPTER D. FINANCES AND OBLIGATIONS

27 Sec. 3001.151. POWERS AND DUTIES RELATED TO

1 FINANCES. (a) The district may:

2 (1) acquire and dispose of money;

3 (2) impose a charge for using a facility or a service  
4 the district provides;

5 (3) issue an obligation as provided by this  
6 subchapter;

7 (4) borrow money;

8 (5) loan money;

9 (6) invest money under its control in an investment  
10 permitted by Chapter 2256, Government Code;

11 (7) select a depository;

12 (8) establish a system of accounts for the district;

13 and

14 (9) set the fiscal year for the district.

15 (b) The district shall endeavor to raise revenue sufficient  
16 to pay the district's debts.

17 (c) The board by rule shall establish the procedure and  
18 number of directors' signatures required to disburse or transfer  
19 district money. (Loc. Gov. Code, Sec. 384.101, as added Acts 76th  
20 Leg., R.S., Ch. 1578.)

21 Sec. 3001.152. OBLIGATIONS. (a) The district may issue  
22 any type of obligation for any district purpose. An obligation may  
23 be issued under Chapter 1371, Government Code.

24 (b) When authorizing the issuance of an obligation, the  
25 district may also authorize the later issuance of a parity or  
26 subordinate lien obligation.

27 (c) A district obligation must:

1           (1) mature not later than the 40th anniversary of the  
2 date of issuance; and

3           (2) state on its face that the obligation is not a  
4 state obligation.

5           (d) A district obligation may be payable from or secured by:

6           (1) any source of money, including district revenue,  
7 loans, or assessments; or

8           (2) a lien, pledge, mortgage, or other security  
9 interest on district revenue or property.

10          (e) The district may use obligation proceeds for any  
11 purpose, including to pay:

12           (1) into a reserve fund for debt service;

13           (2) for the repair or replacement of property,  
14 including buildings and equipment;

15           (3) interest on obligations; or

16           (4) for the operation of a sugar mill or other  
17 agricultural enterprise.

18          (f) The district may contract with an obligation holder to  
19 impose an assessment to pay for the operation of a sugar mill or  
20 other agricultural enterprise. (Loc. Gov. Code, Sec. 384.102, as  
21 added Acts 76th Leg., R.S., Ch. 1578.)

22          Sec. 3001.153. APPROVAL OF ASSESSMENT OBLIGATIONS. An  
23 obligation secured by an assessment may not be issued unless the  
24 district receives a written petition requesting the assessment and  
25 issuance of obligations. The petition must be signed by each owner  
26 of the property proposed for assessment. (Loc. Gov. Code, Sec.  
27 384.103, as added Acts 76th Leg., R.S., Ch. 1578.)



1 [Sections 3001.154-3001.200 reserved for expansion]

2 SUBCHAPTER E. ASSESSMENTS

3 Sec. 3001.201. GENERAL POWERS RELATED TO  
4 ASSESSMENTS. (a) The board may impose an assessment:

5 (1) for a district expense;

6 (2) to finance a project or district service; or

7 (3) for any other purpose authorized by this chapter.

8 (b) Money derived from an assessment for one purpose may not  
9 be borrowed for use for another purpose for which an assessment is  
10 imposed.

11 (c) The board shall establish a procedure for the  
12 distribution or use of money derived from an assessment that  
13 exceeds the amount of money necessary to accomplish the purpose for  
14 which the assessment was collected. (Loc. Gov. Code, Sec. 384.111,  
15 as added Acts 76th Leg., R.S., Ch. 1578.)

16 Sec. 3001.202. AREA TO BE ASSESSED; LIMITATIONS. (a) The  
17 board may impose an assessment only on property included in a  
18 petition for assessment.

19 (b) The owner of an improvement constructed in the district,  
20 or of land annexed to the district, after the district imposed an  
21 assessment may waive the right to notice and an assessment hearing  
22 and may agree to the imposition of the assessment on the improvement  
23 or land and payment of the assessment at an agreed rate.

24 (c) The district may not impose an assessment on the  
25 property of a person that provides gas, electricity, telephone,  
26 sewage, or water service to the public. (Loc. Gov. Code, Sec.  
27 384.112, as added Acts 76th Leg., R.S., Ch. 1578.)

1           Sec. 3001.203. HEARING AND PETITION REQUIRED. The board  
2 may impose an assessment only if:

3                   (1) a written petition has been filed with the board  
4 that:

5                           (A) requests the assessment;

6                           (B) states the specific purpose of the  
7 assessment; and

8                           (C) is signed by each owner of the property to be  
9 assessed;

10                   (2) two-thirds of the board votes to impose the  
11 assessment;

12                   (3) the board provides notice of a hearing on the  
13 proposal under Section 3001.209; and

14                   (4) the board holds a hearing on the advisability of  
15 the assessment under Section 3001.210. (Loc. Gov. Code, Sec.  
16 384.113, as added Acts 76th Leg., R.S., Ch. 1578.)

17           Sec. 3001.204. APPORTIONMENT OF COSTS. (a) The board  
18 shall apportion the cost of an assessment to property according to  
19 the special benefits accruing to the property because of the  
20 project or service to be financed by the assessment. The cost may  
21 be assessed:

22                   (1) equally by front foot or by square foot of land  
23 area;

24                   (2) equally by acreage of land;

25                   (3) according to the value of the property as  
26 determined by the board; or

27                   (4) according to any other reasonable assessment plan

1 that imposes a fair share of the cost on property similarly  
2 benefited.

3 (b) In making the determination under Subsection (a)(3),  
4 the board may consider the value of a structure or improvement on  
5 the property. (Loc. Gov. Code, Sec. 384.114, as added Acts 76th  
6 Leg., R.S., Ch. 1578.)

7 Sec. 3001.205. ASSESSMENT TO FINANCE PROJECT OR  
8 SERVICE. (a) If the board determines the total cost of an  
9 assessment to finance a project or service, the board shall impose  
10 the assessment against each parcel of land against which an  
11 assessment may be imposed in the district.

12 (b) The board may impose an annual assessment for a service.  
13 The amount of an annual service assessment may vary from year to  
14 year, but may not be higher than the initial assessment. (Loc. Gov.  
15 Code, Sec. 384.115, as added Acts 76th Leg., R.S., Ch. 1578.)

16 Sec. 3001.206. ASSESSMENT ROLL. (a) The board shall  
17 prepare and maintain an assessment roll showing:

18 (1) the assessment against each property; and

19 (2) the board's basis for the assessment.

20 (b) The board shall allow the public to inspect the  
21 assessment roll. (Loc. Gov. Code, Sec. 384.116, as added Acts 76th  
22 Leg., R.S., Ch. 1578.)

23 Sec. 3001.207. ASSESSMENT AS LIEN. (a) An assessment,  
24 including an assessment resulting from an addition or correction to  
25 the assessment roll, penalties and interest on an assessment, an  
26 assessment collection expense, and reasonable attorney's fees  
27 incurred by the district in collecting an assessment are:

1           (1) a first and prior lien against the property  
2 assessed;

3           (2) superior to any other lien or claim other than a  
4 lien or claim for county, school district, or municipal ad valorem  
5 taxes; and

6           (3) the personal liability of and charge against the  
7 owners of the property, even if the owners are not named in an  
8 assessment proceeding.

9           (b) The lien is effective from the date of the order  
10 imposing the assessment until the date the assessment is paid.  
11 (Loc. Gov. Code, Sec. 384.117, as added Acts 76th Leg., R.S., Ch.  
12 1578.)

13           Sec. 3001.208. CORRECTION OF MISTAKE. After notice and  
14 hearing in the manner required for an original assessment, the  
15 board may impose an assessment to correct a mistake in the  
16 assessment that:

17           (1) relates to the total cost of the assessment; or

18           (2) covers a delinquency or collection costs. (Loc.  
19 Gov. Code, Sec. 384.118, as added Acts 76th Leg., R.S., Ch. 1578.)

20           Sec. 3001.209. NOTICE OF HEARING ON PROPOSED  
21 ASSESSMENT. (a) The board shall provide notice of a hearing for a  
22 proposed assessment in a newspaper with general circulation in  
23 Chambers County. The publication must be made not later than the  
24 30th day before the date of the hearing.

25           (b) The notice must include the:

26           (1) time and place of the hearing;

27           (2) purpose for the proposed assessment;

1           (3) estimated cost of the purpose for which the  
2 assessment is proposed, including interest during construction and  
3 associated financing costs; and

4           (4) proposed assessment method.

5           (c) Not later than the 30th day before the date of the  
6 hearing, the board shall mail written notice containing the  
7 information required by Subsection (b) to each property owner in  
8 the district that will be subject to the assessment at the current  
9 address of the owner of the property to be assessed, as reflected on  
10 the tax rolls. (Loc. Gov. Code, Sec. 384.119, as added Acts 76th  
11 Leg., R.S., Ch. 1578.)

12           Sec. 3001.210. CONDUCT OF HEARING; FINDINGS. (a) The  
13 board or hearings examiner shall hear and rule on all objections to  
14 a proposed assessment.

15           (b) A hearing on a proposed assessment may be adjourned from  
16 time to time.

17           (c) The board or hearings examiner shall make findings  
18 relating to the:

19               (1) advisability of the assessment, including the  
20 purpose of the assessment;

21               (2) estimated cost of the assessment;

22               (3) area benefited by the assessment;

23               (4) method of assessment; and

24               (5) method and time for payment of the assessment.

25           (d) If a hearings examiner conducts the hearing, the  
26 examiner shall file with the board a report on the examiner's  
27 findings under Subsection (c). (Loc. Gov. Code, Secs. 384.120(a),

1 (b), (c), (d), as added Acts 76th Leg., R.S., Ch. 1578.)

2 Sec. 3001.211. BOARD ORDER IMPOSING ASSESSMENT. (a) After  
3 receiving or issuing the findings required by Section 3001.210(c),  
4 the board by order:

5 (1) shall:

6 (A) impose the assessment as a special assessment  
7 on the property; and

8 (B) specify the method of payment on the  
9 assessment; and

10 (2) may:

11 (A) amend a proposed assessment for any parcel;

12 (B) require an assessment to be paid in periodic  
13 installments, including interest;

14 (C) require an interest charge or penalty for a  
15 failure to make timely payment; or

16 (D) charge an amount to cover a delinquency or  
17 collection expense.

18 (b) If the board orders that an assessment may be paid in  
19 periodic installments, the installments must:

20 (1) be in amounts sufficient to meet the annual costs  
21 of the project or service for which the assessment is imposed; and

22 (2) continue for the number of years required to  
23 retire the indebtedness or pay for the project or service for which  
24 the assessment is imposed. (Loc. Gov. Code, Secs. 384.120(e), (f),  
25 as added Acts 76th Leg., R.S., Ch. 1578.)

26 Sec. 3001.212. REHEARING. A motion for rehearing is  
27 subject to Section 2001.146, Government Code, except that the

1 property owner must file the motion for rehearing not later than the  
2 30th day after the date on which the assessment order is issued.  
3 (Loc. Gov. Code, Sec. 384.121, as added Acts 76th Leg., R.S., Ch.  
4 1578.)

5 Sec. 3001.213. NOTICE OF ASSESSMENT. Not later than the  
6 30th day after the date on which an assessment order is issued, the  
7 district shall file a notice of the assessment in the deed records  
8 of the county in which the property to be assessed is located. The  
9 notice must:

10 (1) provide a legal description of the property  
11 subject to the assessment;

12 (2) state the name of the owner of the property subject  
13 to the assessment; and

14 (3) describe how to contact the district for further  
15 information about the assessment. (Loc. Gov. Code, Sec. 384.122,  
16 as added Acts 76th Leg., R.S., Ch. 1578.)

17 Sec. 3001.214. APPEAL TO COURT. (a) A property owner  
18 against whom an assessment is imposed may appeal the assessment to a  
19 district court in the county in which the property is located in the  
20 manner provided for the appeal of a contested case under Chapter  
21 2001, Government Code.

22 (b) The owner must file the notice of appeal with the court  
23 not later than the 30th day after the date the board decision  
24 becomes final.

25 (c) The court shall review the appeal by trial de novo.  
26 (Loc. Gov. Code, Sec. 384.123, as added Acts 76th Leg., R.S., Ch.  
27 1578.)

1           Sec. 3001.215. NEW ASSESSMENT AFTER INVALID PRIOR  
2 ASSESSMENT. If the board determines or a court holds that an  
3 assessment is invalid, the board may impose a new assessment in  
4 accordance with the procedures provided by this subchapter. (Loc.  
5 Gov. Code, Sec. 384.124, as added Acts 76th Leg., R.S., Ch. 1578.)

6           [Sections 3001.216-3001.250 reserved for expansion]

7                           SUBCHAPTER F. DISSOLUTION

8           Sec. 3001.251. DISSOLUTION. The board may dissolve the  
9 district if all district debts and obligations have been  
10 discharged. (Loc. Gov. Code, Sec. 384.141, as added Acts 76th Leg.,  
11 R.S., Ch. 1578.)

12           [Chapters 3002-3500 reserved for expansion]

13                           SUBTITLE B. DEFENSE BASE DEVELOPMENT

14                   CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY

15                           SUBCHAPTER A. GENERAL PROVISIONS

16   Sec. 3501.001. DEFINITIONS

17   Sec. 3501.002. AUTHORITY TERRITORY

18   Sec. 3501.003. PURPOSE AND NATURE OF AUTHORITY

19   Sec. 3501.004. EXEMPTION FROM TAXATION

20           [Sections 3501.005-3501.050 reserved for expansion]

21                           SUBCHAPTER B. BOARD OF DIRECTORS

22   Sec. 3501.051. COMPOSITION OF BOARD

23   Sec. 3501.052. TERM; VACANCIES

24   Sec. 3501.053. OFFICERS

25   Sec. 3501.054. EMPLOYEES

26   Sec. 3501.055. RULES FOR PROCEEDINGS

27           [Sections 3501.056-3501.100 reserved for expansion]



1 SUBCHAPTER C. POWERS AND DUTIES

2 Sec. 3501.101. AUTHORITY OF BOARD

3 Sec. 3501.102. GENERAL POWERS AND DUTIES

4 Sec. 3501.103. UTILITIES

5 Sec. 3501.104. SECURITY FOR COSTS OR BOND NOT REQUIRED

6 [Sections 3501.105-3501.150 reserved for expansion]

7 SUBCHAPTER D. DISSOLUTION

8 Sec. 3501.151. LEGISLATIVE INTENT

9 Sec. 3501.152. DUTY TO DISSOLVE

10 CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 3501.001. DEFINITIONS. In this chapter:

13 (1) "Authority" means the Lubbock Reese Redevelopment  
14 Authority.

15 (2) "Base property" means land described by Section  
16 3501.002(a), including any property used in connection with or  
17 comprising the former Reese Air Force Base.

18 (3) "Board" means the board of directors of the  
19 authority. (Loc. Gov. Code, Secs. 396.001(1), (2), (3), 396.010  
20 (part).)

21 Sec. 3501.002. AUTHORITY TERRITORY. (a) The authority's  
22 territory is that described by Section 13.10, Chapter 62, Acts of  
23 the 76th Legislature, Regular Session, 1999, enacting former  
24 Section 396.009, Local Government Code, and includes all other real  
25 property, related interests, including fee interests, perpetual  
26 and other easements, licenses, leases, and any other property used  
27 in connection with or comprising Reese Air Force Base and as may be

1 shown by instruments recorded in the real property records of  
2 Lubbock and Terry counties.

3 (b) The authority's territory does not include property  
4 conveyed by the United States before June 17, 1997, as shown by  
5 instruments recorded in the real property records of Lubbock and  
6 Terry counties. (Loc. Gov. Code, Secs. 396.002 (part), 396.010  
7 (part).)

8 Sec. 3501.003. PURPOSE AND NATURE OF AUTHORITY. (a) The  
9 purpose of the authority is to undertake projects necessary or  
10 incidental to the industrial, commercial, or business development,  
11 redevelopment, maintenance, and expansion of new and existing  
12 businesses on the property, now or formerly known as Reese Air Force  
13 Base, described in Section 3501.002(a), including the acquisition,  
14 construction, operation, maintenance, enhancement, or disposal of:

15 (1) roads, bridges, and rights-of-way;

16 (2) housing;

17 (3) property;

18 (4) police, fire, medical, cultural, educational, and  
19 research services, equipment, institutions, and resources;

20 (5) other community support services;

21 (6) flood control, water, wastewater treatment, and  
22 all other utility facilities; and

23 (7) other infrastructure improvements.

24 (b) The authority is a political subdivision of this state  
25 that exercises public and essential governmental functions.

26 (c) The exercise of a power this chapter grants is for a  
27 public purpose and is a matter of public necessity.

1           (d) The authority is a governmental unit under Chapter 101,  
2 Civil Practice and Remedies Code. The operations of the authority  
3 are not proprietary functions for any purpose, including the  
4 application of Chapter 101, Civil Practice and Remedies Code.  
5 (Loc. Gov. Code, Secs. 396.001(6), 396.002 (part), 396.004(b), (c),  
6 (d), (e).)

7           Sec. 3501.004. EXEMPTION FROM TAXATION. The property,  
8 revenue, and income of the authority are exempt from a tax imposed  
9 by the state or a political subdivision of the state. (Loc. Gov.  
10 Code, Sec. 396.006.)

11           [Sections 3501.005-3501.050 reserved for expansion]

12                       SUBCHAPTER B. BOARD OF DIRECTORS

13           Sec. 3501.051. COMPOSITION OF BOARD. The board is composed  
14 of:

15                       (1) seven directors appointed by the governing body of  
16 the City of Lubbock;

17                       (2) one director appointed by the commissioners court  
18 of Lubbock County; and

19                       (3) one director appointed by the South Plains  
20 Association of Governments. (Loc. Gov. Code, Secs. 396.003(a)  
21 (part), (b).)

22           Sec. 3501.052. TERM; VACANCIES. (a) A director serves a  
23 term of four years. A director appointed to fill a vacancy for an  
24 unexpired term shall serve for the remainder of that term only.

25                       (b) A vacancy on the board is filled in the same manner as  
26 the original appointment.

27                       (c) A director may be appointed as the director's own

1 successor for not more than one term. (Loc. Gov. Code, Secs.  
2 396.003(c), (d).)

3 Sec. 3501.053. OFFICERS. (a) The board shall elect from  
4 its membership a president and a vice president.

5 (b) The vice president shall preside in the absence of the  
6 president. (Loc. Gov. Code, Sec. 396.003(e).)

7 Sec. 3501.054. EMPLOYEES. The board may employ and  
8 compensate persons to carry out the powers and duties of the  
9 authority. (Loc. Gov. Code, Sec. 396.003(f) (part).)

10 Sec. 3501.055. RULES FOR PROCEEDINGS. The board shall  
11 adopt rules for its proceedings. (Loc. Gov. Code, Sec. 396.003(f)  
12 (part).)

13 [Sections 3501.056-3501.100 reserved for expansion]

#### 14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 3501.101. AUTHORITY OF BOARD. The board shall manage,  
16 control, and operate the authority. (Loc. Gov. Code, Sec.  
17 396.003(a) (part).)

18 Sec. 3501.102. GENERAL POWERS AND DUTIES. (a) The  
19 authority may accept title, on approval by and in coordination with  
20 the governor, from the United States to all or any portion of the  
21 base property.

22 (b) The authority may exercise, on approval by and in  
23 coordination with the governor, any power necessary or convenient  
24 to accomplish a purpose of this chapter, including the power to:

25 (1) sue and be sued, and plead and be impleaded, in its  
26 own name;

27 (2) adopt an official seal;

1           (3) adopt and enforce bylaws and rules for the conduct  
2 of its affairs;

3           (4) acquire, hold, own, and dispose of its revenue,  
4 income, receipts, and money from any source;

5           (5) select its depository;

6           (6) establish its fiscal year;

7           (7) adopt an annual operating budget for all major  
8 expenditures before the beginning of the fiscal year;

9           (8) establish a system of accounts for the authority;

10          (9) invest its money in accordance with Chapter 2256,  
11 Government Code;

12          (10) acquire, hold, own, use, rent, lease, or dispose  
13 of any property, including a license, patent, right, right-of-way,  
14 easement, and other interest in property, by purchase, exchange,  
15 gift, assignment, condemnation, lease, sale, or any other means, to  
16 perform a duty or to exercise a power under this chapter;

17          (11) manage, operate, or improve that property, to  
18 perform a duty or to exercise a power under this chapter;

19          (12) sell, assign, lease, encumber, mortgage, or  
20 otherwise dispose of any base property, or any interest in that  
21 property, release or relinquish any right, title, claim, lien,  
22 interest, easement, or demand, however acquired, and,  
23 notwithstanding any other law, conduct any transaction authorized  
24 by this subdivision by public or private sale;

25          (13) lease or rent any land, buildings, structures, or  
26 facilities located on the base property to any person to accomplish  
27 the purposes of this chapter;

1           (14) request and accept any appropriation, grant,  
2 allocation, subsidy, guarantee, aid, service, labor, material,  
3 gift, or money from any source, including the federal government,  
4 the state, a public agency, and a political subdivision;

5           (15) maintain an office;

6           (16) appoint and determine the duties, tenure,  
7 qualifications, compensation, and removal of officers, employees,  
8 agents, professional advisors, and counselors, including financial  
9 consultants, accountants, attorneys, architects, engineers,  
10 appraisers, and financing experts, as considered necessary or  
11 advisable by the board;

12           (17) borrow money as necessary to acquire, improve, or  
13 operate a facility on the base property, not to exceed the amount  
14 determined by the governing body of the City of Lubbock;

15           (18) establish, impose, and collect rents, rates,  
16 fees, and charges for its facilities and services; and

17           (19) exercise the powers Chapter 380, Local Government  
18 Code, grants to a municipality for expansion of economic  
19 development and commercial activity. (Loc. Gov. Code, Secs.  
20 396.004(a), 396.005(a) (part).)

21       Sec. 3501.103. UTILITIES. (a) As may be necessary and  
22 appropriate to accomplish the purposes for which the authority was  
23 established, the authority may exercise those powers granted to  
24 general law districts by Chapter 49, Water Code, and granted to  
25 municipal utility districts by Chapter 54, Water Code, may provide  
26 all other utility services that may be provided by an electric, gas,  
27 or water utility on an immediate basis without the need for state

1 regulatory approval, and without restriction, may delegate those  
2 powers and the provision of those services to a neighboring  
3 municipality, a municipally owned utility, a cooperative  
4 corporation, or other utility provider.

5 (b) The authority shall continue to be served by the  
6 provider, as of September 1, 1999, of electricity and related  
7 services to the authority until the authority delegates the  
8 provision of electric services under Subsection (a).

9 (c) A delegation under Subsection (a) of a power related to  
10 electric service and the provision of electric services may be made  
11 only to an electric utility provider that agrees to upgrade the  
12 electrical system infrastructure so that the authority can  
13 accomplish its purpose. The authority shall determine the criteria  
14 to be used for determining the level of infrastructure improvements  
15 necessary to encourage the expansion of economic development and  
16 commercial activity. The authority may delegate the provision of  
17 electric services without state regulatory approval.

18 (d) The authority may contract to convey the property  
19 related to the supply and distribution of electrical power in the  
20 authority's territory to an electric utility provider that requires  
21 the conveyance as a condition of making an upgrade prescribed by  
22 Subsection (c). (Loc. Gov. Code, Secs. 396.005(a) (part), (c).)

23 Sec. 3501.104. SECURITY FOR COSTS OR BOND NOT REQUIRED. In  
24 a suit, the authority may not be required to give security for costs  
25 or a supersedeas or cost bond in an appeal from a judgment. (Loc.  
26 Gov. Code, Sec. 396.005(b).)

27 [Sections 3501.105-3501.150 reserved for expansion]

1 SUBCHAPTER D. DISSOLUTION

2 Sec. 3501.151. LEGISLATIVE INTENT. The legislature  
3 intends that the authority be dissolved after conveyance and sale  
4 of all of the base property. (Loc. Gov. Code, Sec. 396.007(b).)

5 Sec. 3501.152. DUTY TO DISSOLVE. (a) The authority shall  
6 be dissolved on approval of the City of Lubbock and Lubbock County:

7 (1) when all the functions of the authority are  
8 performed and completed; and

9 (2) after all debts or obligations have been satisfied  
10 or retired with the assets of the authority.

11 (b) On dissolution, any remaining assets of the authority  
12 shall be conveyed or transferred to the City of Lubbock and Lubbock  
13 County in proportion to any initial contribution of money made.  
14 (Loc. Gov. Code, Secs. 396.007(a), (c).)

15 CHAPTER 3502. WESTWORTH VILLAGE-WHITE SETTLEMENT

16 REDEVELOPMENT AUTHORITY

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 3502.001. DEFINITIONS

19 Sec. 3502.002. WESTWORTH VILLAGE-WHITE SETTLEMENT

20 REDEVELOPMENT AUTHORITY

21 Sec. 3502.003. AUTHORITY TERRITORY

22 Sec. 3502.004. EXEMPTION FROM TAXATION

23 [Sections 3502.005-3502.050 reserved for expansion]

24 SUBCHAPTER B. BOARD OF DIRECTORS

25 Sec. 3502.051. COMPOSITION OF BOARD

26 Sec. 3502.052. TERM

27 Sec. 3502.053. VACANCIES



1   Sec. 3502.054.   OFFICERS  
2   Sec. 3502.055.   EMPLOYEES  
3           [Sections 3502.056-3502.100 reserved for expansion]  
4           SUBCHAPTER C.   AUTHORITY POWERS AND DUTIES  
5   Sec. 3502.101.   AUTHORITY OF BOARD  
6   Sec. 3502.102.   GENERAL POWERS  
7   Sec. 3502.103.   RECEIPT OF PROPERTY  
8   Sec. 3502.104.   USE OF PROPERTY  
9   Sec. 3502.105.   AWARDING OF CONTRACTS  
10          [Sections 3502.106-3502.150 reserved for expansion]  
11          SUBCHAPTER D.   DISSOLUTION  
12   Sec. 3502.151.   LEGISLATIVE INTENT  
13   Sec. 3502.152.   POWER TO DISSOLVE  
14          CHAPTER 3502.   WESTWORTH VILLAGE-WHITE SETTLEMENT  
15                  REDEVELOPMENT AUTHORITY  
16                  SUBCHAPTER A.   GENERAL PROVISIONS  
17          Sec. 3502.001.   DEFINITIONS.   In this chapter:  
18                  (1) "Authority" means the Westworth Village-White  
19   Settlement Redevelopment Authority.  
20                  (2) "Board" means the board of directors of the  
21   authority. (Loc. Gov. Code, Sec. 396.031.)  
22          Sec. 3502.002.   WESTWORTH          VILLAGE-WHITE          SETTLEMENT  
23   REDEVELOPMENT AUTHORITY. The authority is established as a  
24   political subdivision of this state if Westworth Village and White  
25   Settlement each:  
26                  (1) adopt a resolution authorizing the authority's  
27   establishment; and

1           (2) appoint three members to the board. (Loc. Gov.  
2 Code, Sec. 396.032 (part).)

3           Sec. 3502.003. AUTHORITY TERRITORY. The boundaries of the  
4 authority territory are the boundaries of Westworth Village and  
5 White Settlement. (Loc. Gov. Code, Sec. 396.032 (part).)

6           Sec. 3502.004. EXEMPTION FROM TAXATION. The property,  
7 revenue, and income of the authority are exempt from all taxes  
8 imposed by the state or a political subdivision of the state. (Loc.  
9 Gov. Code, Sec. 396.036.)

10           [Sections 3502.005-3502.050 reserved for expansion]

11                       SUBCHAPTER B. BOARD OF DIRECTORS

12           Sec. 3502.051. COMPOSITION OF BOARD. The board consists of  
13 six directors. The governing body of each municipality in the  
14 authority shall appoint three directors. (Loc. Gov. Code, Secs.  
15 396.033(a) (part), (b).)

16           Sec. 3502.052. TERM. A director serves a two-year term.  
17 (Loc. Gov. Code, Sec. 396.033(c).)

18           Sec. 3502.053. VACANCIES. A vacancy on the board is filled  
19 for the unexpired term in the manner provided for the original  
20 appointment. (Loc. Gov. Code, Sec. 396.033(e).)

21           Sec. 3502.054. OFFICERS. (a) The board shall select from  
22 its membership a presiding officer and an assistant presiding  
23 officer.

24           (b) The assistant presiding officer presides in the absence  
25 of the presiding officer.

26           (c) The board shall select a secretary-treasurer. The  
27 secretary-treasurer is not required to be a director. (Loc. Gov.

1 Code, Sec. 396.033(d).)

2 Sec. 3502.055. EMPLOYEES. The board may employ all persons  
3 necessary to carry out the functions of the authority. (Loc. Gov.  
4 Code, Sec. 396.033(f).)

5 [Sections 3502.056-3502.100 reserved for expansion]

6 SUBCHAPTER C. AUTHORITY POWERS AND DUTIES

7 Sec. 3502.101. AUTHORITY OF BOARD. The board shall manage,  
8 operate, and control the authority. (Loc. Gov. Code, Sec.  
9 396.033(a) (part).)

10 Sec. 3502.102. GENERAL POWERS. The authority may  
11 exercise, on approval by and in coordination with the governor, all  
12 powers necessary or appropriate to carry out the purposes of this  
13 chapter, including the power to:

14 (1) sue and be sued, and plead and be impleaded, in its  
15 own name;

16 (2) adopt an official seal;

17 (3) adopt and enforce bylaws and rules for the conduct  
18 of its affairs;

19 (4) acquire, hold, use, and dispose of its revenue,  
20 income, receipts, and money from every source;

21 (5) select its depository;

22 (6) acquire, hold, own, lease, rent, or dispose of any  
23 property or interest in property, including rights or easements, in  
24 performing duties and exercising powers under this chapter by  
25 purchase, exchange, gift, assignment, condemnation, sale, lease,  
26 or otherwise and to hold, manage, operate, or improve the property;

27 (7) sell, assign, lease, encumber, mortgage, or

1 otherwise dispose of any property or interest in property, and  
2 release or relinquish any right, title, claim, lien, interest,  
3 easement, or demand however acquired;

4 (8) notwithstanding any other law, perform an activity  
5 authorized by Subdivision (7) by public or private sale, with or  
6 without public bidding;

7 (9) lease or rent any lands within the property and  
8 buildings, structures, or facilities located on the property from  
9 or to any person to carry out the purposes of this chapter;

10 (10) request and accept any appropriation, grant,  
11 allocation, subsidy, guaranty, aid, service, labor, material, or  
12 gift from any source, including the federal government, this state,  
13 a public agency, or a political subdivision;

14 (11) maintain an office and appoint and determine the  
15 duties, tenure, qualifications, and compensation of officers,  
16 employees, agents, and professional advisors and counselors,  
17 including financial consultants, accountants, attorneys,  
18 architects, engineers, appraisers, and financing experts, as the  
19 board considers necessary or advisable;

20 (12) borrow money;

21 (13) establish, impose, and collect rents, rates,  
22 fees, and charges for its facilities and services;

23 (14) acquire land or any interest in land within the  
24 boundaries of the authority by condemnation in the manner provided  
25 by Chapter 21, Property Code, subject to the approval of each  
26 municipality in the authority; and

27 (15) exercise the powers in Chapters 373 and 380,

1 Local Government Code, granted to a municipality for the  
2 development of housing and expansion of economic development and  
3 commercial activity. (Loc. Gov. Code, Sec. 396.035.)

4 Sec. 3502.103. RECEIPT OF PROPERTY. The authority shall  
5 accept title, on approval by and in coordination with the governor,  
6 from the United States to all or any portion of the real property  
7 situated:

8 (1) within the boundaries of the authority, together  
9 with any improvements located on the property and personal property  
10 related to the property, commonly referred to as:

- 11 (A) Parcel A - 18 Hole Golf Course;
- 12 (B) Parcel B - Wherry Housing Area;
- 13 (C) Parcel C - Kings Branch Housing Area;
- 14 (D) Parcel D - Stables Area and Vacant Land;
- 15 (E) Parcel E - 5 acres;
- 16 (F) Parcel F - 18 acres; and
- 17 (G) Parcel H - Firing Range; and

18 (2) outside the boundaries of the authority within an  
19 unincorporated area in Tarrant County, together with any  
20 improvements located on the property and personal property related  
21 to the property, commonly referred to as Parcel G - Weapons Storage  
22 Area. (Loc. Gov. Code, Sec. 396.034(a) (part).)

23 Sec. 3502.104. USE OF PROPERTY. (a) The authority shall  
24 use the property described by Section 3502.103 and all assistance  
25 available for the property from the United States and all other  
26 sources to replace and enhance the economic benefits generated for  
27 the property by Carswell Air Force Base with diversified activity,

1 including planned land uses to foster:

2 (1) creation of new jobs;

3 (2) economic development;

4 (3) industry;

5 (4) commerce;

6 (5) manufacturing;

7 (6) housing;

8 (7) recreation; and

9 (8) the construction, operation, and maintenance of  
10 facilities, improvements, and infrastructures on the property.

11 (b) The governing body of Fort Worth must consent in writing  
12 before any use or development of land within the property commonly  
13 referred to as Parcel G may be undertaken. (Loc. Gov. Code, Secs.  
14 396.034(a) (part), (b).)

15 Sec. 3502.105. AWARDING OF CONTRACTS. (a) The board may  
16 adopt rules governing the receiving of bids and the awarding of  
17 contracts.

18 (b) A contract in the amount of more than \$15,000 for the  
19 construction of improvements or the purchase of material,  
20 machinery, equipment, supplies, or any other property, other than  
21 real property, may only be awarded on competitive bids received by  
22 the authority.

23 (c) Notice must be published in a newspaper of general  
24 circulation in the authority not later than the 16th day before the  
25 date set for receiving bids for a contract described by Subsection  
26 (b).

27 (d) This section does not apply to:

1           (1) personal or professional services; or  
2           (2) the acquisition or sale of the property. (Loc.  
3 Gov. Code, Sec. 396.037.)

4           [Sections 3502.106-3502.150 reserved for expansion]

5                               SUBCHAPTER D. DISSOLUTION

6           Sec. 3502.151. LEGISLATIVE INTENT. The legislature  
7 intends that the authority be dissolved after conveyance and sale  
8 of all of the property described by Section 3502.103. (Loc. Gov.  
9 Code, Sec. 396.038(a) (part).)

10          Sec. 3502.152. POWER TO DISSOLVE. (a) The board may  
11 dissolve the authority if:

12               (1) each municipality in the authority approves the  
13 dissolution; and

14               (2) all debts or obligations have been satisfied or  
15 retired.

16          (b) Any assets of the authority remaining after all debts or  
17 obligations have been satisfied shall be conveyed or transferred to  
18 the municipalities in the authority as approved by the board. (Loc.  
19 Gov. Code, Secs. 396.038(a) (part), (b).)

20           [Chapters 3503-3800 reserved for expansion]

21                               SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT

22                               CHAPTER 3801. HOUSTON DOWNTOWN MANAGEMENT DISTRICT

23                                       SUBCHAPTER A. GENERAL PROVISIONS

24          Sec. 3801.001. DEFINITIONS

25          Sec. 3801.002. HOUSTON DOWNTOWN MANAGEMENT DISTRICT

26          Sec. 3801.003. PURPOSE; DECLARATION OF INTENT

27          Sec. 3801.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

1 Sec. 3801.005. DISTRICT TERRITORY  
2 Sec. 3801.006. ELIGIBILITY FOR REINVESTMENT ZONES  
3 Sec. 3801.007. APPLICABILITY OF OTHER LAW  
4 Sec. 3801.008. LIBERAL CONSTRUCTION OF CHAPTER  
5 [Sections 3801.009-3801.050 reserved for expansion]  
6 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS  
7 Sec. 3801.051. BOARD OF DIRECTORS; TERMS  
8 Sec. 3801.052. APPOINTMENT OF DIRECTORS  
9 Sec. 3801.053. EX OFFICIO DIRECTORS  
10 [Sections 3801.054-3801.100 reserved for expansion]  
11 SUBCHAPTER C. POWERS AND DUTIES  
12 Sec. 3801.101. DISTRICT POWERS  
13 Sec. 3801.102. RELATION TO OTHER LAW  
14 Sec. 3801.103. NONPROFIT CORPORATION  
15 Sec. 3801.104. CONTRACTS; GRANTS  
16 Sec. 3801.105. COMPETITIVE BIDDING  
17 Sec. 3801.106. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS  
18 [Sections 3801.107-3801.150 reserved for expansion]  
19 SUBCHAPTER D. FINANCIAL PROVISIONS  
20 Sec. 3801.151. PETITION REQUIRED FOR FINANCING SERVICES  
21 AND IMPROVEMENTS  
22 Sec. 3801.152. DISBURSEMENTS AND TRANSFERS OF MONEY  
23 Sec. 3801.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
24 ASSESSMENTS, AND IMPACT FEES  
25 Sec. 3801.154. MAINTENANCE TAX  
26 Sec. 3801.155. ASSESSMENTS; LIENS FOR ASSESSMENTS  
27 Sec. 3801.156. PROHIBITED EXEMPTIONS



1   Sec. 3801.157.   OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

2   Sec. 3801.158.   ELECTIONS REGARDING TAXES OR BONDS

3   Sec. 3801.159.   SALES AND USE TAX PROHIBITED

4           [Sections 3801.160-3801.200 reserved for expansion]

5                       SUBCHAPTER E.   DISSOLUTION

6   Sec. 3801.201.   DISSOLUTION OF DISTRICT WITH OUTSTANDING

7           DEBT

8                       CHAPTER 3801.   HOUSTON DOWNTOWN MANAGEMENT DISTRICT

9                       SUBCHAPTER A.   GENERAL PROVISIONS

10   Sec. 3801.001.   DEFINITIONS.   In this chapter:

11           (1) "Board" means the board of directors of the  
12   district.

13           (2) "District" means the Houston Downtown Management  
14   District. (Loc. Gov. Code, Secs. 376.003(1), (3).)

15   Sec. 3801.002.   HOUSTON DOWNTOWN MANAGEMENT DISTRICT.   A  
16   special district known as the "Houston Downtown Management  
17   District" is a governmental agency and political subdivision of  
18   this state. (Loc. Gov. Code, Sec. 376.001(a).)

19   Sec. 3801.003.   PURPOSE; DECLARATION OF INTENT.   (a) The  
20   creation of the district is essential to accomplish the purposes of  
21   Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
22   Texas Constitution, and other public purposes stated in this  
23   chapter.   By creating the district and in authorizing Harris  
24   County, the City of Houston, and other political subdivisions to  
25   contract with the district, the legislature has established a  
26   program to accomplish the public purposes set out in Section 52-a,  
27   Article III, Texas Constitution.

1           (b) The creation of the district is necessary to promote,  
2 develop, encourage, and maintain employment, commerce,  
3 transportation, housing, tourism, recreation, the arts,  
4 entertainment, economic development, safety, and the public  
5 welfare in the downtown area of the city of Houston.

6           (c) This chapter and the creation of the district may not be  
7 interpreted to relieve Harris County or the City of Houston from  
8 providing the level of services provided as of August 28, 1995, to  
9 the area in the district or to release the county or the city from  
10 the obligations of each entity to provide services to that area.  
11 The district is created to supplement and not to supplant the county  
12 or city services provided in the area in the district. (Loc. Gov.  
13 Code, Secs. 376.001(c), 376.002.)

14           Sec. 3801.004. FINDINGS OF BENEFIT AND PUBLIC  
15 PURPOSE. (a) The district is created to serve a public use and  
16 benefit.

17           (b) All land and other property included in the district  
18 will benefit from the improvements and services to be provided by  
19 the district under powers conferred by Sections 52 and 52-a,  
20 Article III, and Section 59, Article XVI, Texas Constitution, and  
21 other powers granted under this chapter.

22           (c) The creation of the district is in the public interest  
23 and is essential to:

24                   (1) further the public purposes of developing and  
25 diversifying the economy of the state;

26                   (2) eliminate unemployment and underemployment; and

27                   (3) develop or expand transportation and commerce.

1 (d) The district will:

2 (1) promote the health, safety, and general welfare of  
3 residents, employers, employees, visitors, and consumers in the  
4 district, and of the public;

5 (2) provide needed funding for the downtown area of  
6 the city of Houston to preserve, maintain, and enhance the economic  
7 health and vitality of the area as a community and business center;  
8 and

9 (3) promote the health, safety, welfare, and enjoyment  
10 of the public by providing pedestrian ways and by landscaping and  
11 developing certain areas in the district, which are necessary for  
12 the restoration, preservation, and enhancement of scenic and  
13 aesthetic beauty.

14 (e) Pedestrian ways along or across a street, whether at  
15 grade or above or below the surface, and street lighting, street  
16 landscaping, and street art objects are parts of and necessary  
17 components of a street and are considered to be a street or road  
18 improvement.

19 (f) The district will not act as the agent or  
20 instrumentality of any private interest even though the district  
21 will benefit many private interests as well as the public. (Loc.  
22 Gov. Code, Sec. 376.006.)

23 Sec. 3801.005. DISTRICT TERRITORY. (a) The district is  
24 composed of the territory described by Section 23.04(b), Chapter  
25 165, Acts of the 75th Legislature, Regular Session, 1997, enacting  
26 former Section 376.004, Local Government Code, and by Section 1,  
27 Chapter 360, Acts of the 76th Legislature, Regular Session, 1999,

1 as that territory may have been modified under:

2 (1) Subchapter J, Chapter 49, Water Code; or

3 (2) other law.

4 (b) The boundaries and field notes of the district contained  
5 in Section 23.04(b), Chapter 165, Acts of the 75th Legislature,  
6 Regular Session, 1997, enacting former Section 376.004, Local  
7 Government Code, and in Section 1, Chapter 360, Acts of the 76th  
8 Legislature, Regular Session, 1999, form a closure. A mistake in  
9 the field notes or in copying the field notes in the legislative  
10 process does not in any way affect:

11 (1) the district's organization, existence, and  
12 validity;

13 (2) the district's right to issue any type of bond,  
14 including a refunding bond, for a purpose for which the district is  
15 created or to pay the principal of and interest on the bond;

16 (3) the district's right to impose and collect an  
17 assessment or tax;

18 (4) the validity of the enlargement of the district  
19 under Section 1, Chapter 360, Acts of the 76th Legislature, Regular  
20 Session, 1999; or

21 (5) the legality or operation of the district or the  
22 board. (Loc. Gov. Code, Sec. 376.005; Acts 76th Leg., R.S., Ch.  
23 360, Sec. 2; New.)

24 Sec. 3801.006. ELIGIBILITY FOR REINVESTMENT ZONES. All or  
25 any part of the area of the district is eligible to be included in:

26 (1) a tax increment reinvestment zone created by the  
27 City of Houston under Chapter 311, Tax Code; or

1           (2) a tax abatement reinvestment zone created by the  
2 City of Houston under Chapter 312, Tax Code. (Loc. Gov. Code, Sec.  
3 376.028.)

4           Sec. 3801.007. APPLICABILITY OF OTHER LAW. Except as  
5 otherwise provided by this chapter, Chapter 375, Local Government  
6 Code, applies to the district. (Loc. Gov. Code, Sec. 376.007.)

7           Sec. 3801.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
8 chapter shall be liberally construed in conformity with the  
9 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
10 376.008.)

11           [Sections 3801.009-3801.050 reserved for expansion]

12           SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

13           Sec. 3801.051. BOARD OF DIRECTORS; TERMS. The district is  
14 governed by a board of 30 directors who serve staggered terms of  
15 four years, with seven or eight directors' terms expiring June 1 of  
16 each year. (Loc. Gov. Code, Sec. 376.009(a).)

17           Sec. 3801.052. APPOINTMENT OF DIRECTORS. (a) The mayor  
18 and members of the governing body of the City of Houston shall  
19 appoint directors from persons recommended by the board.

20           (b) A person may not be appointed to the board if the  
21 appointment of that person would result in fewer than two-thirds of  
22 the directors being residents of the city of Houston. (Loc. Gov.  
23 Code, Secs. 376.010(a) (part), (b).)

24           Sec. 3801.053. EX OFFICIO DIRECTORS. (a) The following  
25 persons serve as nonvoting ex officio directors:

26           (1) the directors of the parks and recreation,  
27 planning and development, public works, and civic center

1 departments of the City of Houston;

2 (2) the chief of police of the City of Houston; and

3 (3) the general manager of the Metropolitan Transit  
4 Authority of Harris County, Texas.

5 (b) If a department described by Subsection (a) is  
6 consolidated, renamed, or changed, the board may appoint the  
7 director of the consolidated, renamed, or changed department as a  
8 nonvoting ex officio director. If a department described by  
9 Subsection (a) is abolished, the board may appoint a representative  
10 of another department of the City of Houston that performs duties  
11 comparable to those performed by the abolished department.

12 (c) The board may appoint the presiding officer of another  
13 nonprofit corporation actively involved in downtown activities in  
14 the city of Houston to serve as a nonvoting ex officio director.  
15 (Loc. Gov. Code, Sec. 376.011.)

16 [Sections 3801.054-3801.100 reserved for expansion]

#### 17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 3801.101. DISTRICT POWERS. The district has:

19 (1) all powers necessary to accomplish the purposes  
20 for which the district was created;

21 (2) the rights, powers, privileges, authority, and  
22 functions of a district created under Chapter 375, Local Government  
23 Code;

24 (3) the powers given to a corporation under Section  
25 4B, the Development Corporation Act of 1979 (Article 5190.6,  
26 Vernon's Texas Civil Statutes), and the power to own, operate,  
27 acquire, construct, lease, improve, and maintain projects, other

1     than a domed football stadium, described by that section; and

2             (4) the powers of a housing finance corporation  
3     created under Chapter 394, Local Government Code, to provide  
4     housing or residential development projects in the district. (Loc.  
5     Gov. Code, Sec. 376.012(a) (part).)

6             Sec. 3801.102. RELATION TO OTHER LAW. This chapter  
7     prevails over a law to which Section 3801.101 refers that is in  
8     conflict with or is inconsistent with this chapter. (Loc. Gov.  
9     Code, Sec. 376.014 (part).)

10            Sec. 3801.103. NONPROFIT CORPORATION. (a) The board by  
11     resolution may authorize the creation of a nonprofit corporation to  
12     assist and act for the district in implementing a project or  
13     providing a service authorized by this chapter.

14            (b) The nonprofit corporation:

15                (1) has each power of and is considered for purposes of  
16     this chapter to be a local government corporation created under  
17     Chapter 431, Transportation Code; and

18                (2) may implement any project and provide any service  
19     authorized by this chapter.

20            (c) The board shall appoint the board of directors of the  
21     nonprofit corporation. The board of directors of the nonprofit  
22     corporation shall serve in the same manner as, for the same term as,  
23     and on the same conditions as the board of directors of a local  
24     government corporation created under Chapter 431, Transportation  
25     Code. (Loc. Gov. Code, Sec. 376.017.)

26            Sec. 3801.104. CONTRACTS; GRANTS. (a) To protect the  
27     public interest, the district may contract with Harris County or

1 the City of Houston for the county or the city to provide law  
2 enforcement services in the district for a fee.

3 (b) Harris County, the City of Houston, or another political  
4 subdivision of this state, without further authorization, may  
5 contract with the district to implement a project of the district or  
6 assist the district in providing a service authorized under this  
7 chapter. A contract under this subsection may:

8 (1) be for a period on which the parties agree;

9 (2) include terms on which the parties agree;

10 (3) be payable from taxes or any other source of  
11 revenue that may be available for that project or service; or

12 (4) provide terms under which taxes or other revenue  
13 collected at a district project or from a person using or purchasing  
14 a commodity or service at a district project may be paid or rebated  
15 to the district.

16 (c) The district may enter into a contract, lease, or other  
17 agreement with or make or accept a grant or loan to or from any  
18 person, including:

19 (1) the United States;

20 (2) this state or a state agency;

21 (3) any political subdivision of this state; and

22 (4) a public or private corporation, including a  
23 nonprofit corporation created by the board under this subchapter.

24 (d) The district may perform all acts necessary for the full  
25 exercise of the powers vested in the district on terms and for the  
26 period the board determines advisable. (Loc. Gov. Code, Sec.  
27 376.026.)



1           Sec. 3801.105. COMPETITIVE BIDDING. The district may  
2 enter into a contract for more than \$10,000 for services,  
3 improvements, or the purchase of property, including materials,  
4 machinery, equipment, and supplies, only as provided by Subchapter  
5 K, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec.  
6 376.027.)

7           Sec. 3801.106. APPROVAL OF CERTAIN IMPROVEMENT  
8 PROJECTS. The district must obtain the approval of the City of  
9 Houston of the plans and specifications of any district improvement  
10 project related to the use of land owned by the City of Houston, an  
11 easement granted by the City of Houston, or a right-of-way of a  
12 street, road, or highway. (Loc. Gov. Code, Sec. 376.021.)

13           [Sections 3801.107-3801.150 reserved for expansion]

14                       SUBCHAPTER D. FINANCIAL PROVISIONS

15           Sec. 3801.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
16 IMPROVEMENTS. (a) The board may not finance a service or an  
17 improvement project under this chapter unless a written petition  
18 requesting that service or improvement is filed with the board.

19           (b) The petition must be signed by:

20                       (1) the owners of a majority of the assessed value of  
21 real property in the district according to the most recent  
22 certified tax appraisal roll for Harris County; or

23                       (2) at least 50 owners of land in the district, if more  
24 than 50 persons own property in the district according to the most  
25 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
26 Code, Sec. 376.015.)

27           Sec. 3801.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The

1 board by resolution shall establish the number of directors'  
2 signatures and the procedure required for a disbursement or  
3 transfer of the district's money. (Loc. Gov. Code, Sec. 376.018.)

4 Sec. 3801.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
5 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad  
6 valorem tax, assessment, or impact fee as provided by Chapter 375,  
7 Local Government Code, to provide an improvement or service for a  
8 project or activity the district may acquire, construct, improve,  
9 or provide under this chapter. (Loc. Gov. Code, Sec. 376.012(a)  
10 (part).)

11 Sec. 3801.154. MAINTENANCE TAX. (a) If authorized at an  
12 election held in accordance with Section 3801.158, the district may  
13 impose an annual ad valorem tax on taxable property in the district  
14 to:

15 (1) maintain and operate the district and the  
16 improvements constructed or acquired by the district; or

17 (2) provide services to industrial or commercial  
18 businesses, residents, or property owners.

19 (b) The board shall determine the tax rate. (Loc. Gov.  
20 Code, Sec. 376.024.)

21 Sec. 3801.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
22 The board by resolution may impose and collect an assessment for any  
23 purpose authorized by this chapter.

24 (b) An assessment, a reassessment, or an assessment  
25 resulting from an addition to or correction of the assessment roll  
26 by the district, penalties and interest on an assessment or  
27 reassessment, an expense of collection, and reasonable attorney's

1 fees incurred by the district:

2 (1) are a first and prior lien against the property  
3 assessed;

4 (2) are superior to any other lien or claim other than  
5 a lien or claim for county, school district, or municipal ad valorem  
6 taxes; and

7 (3) are the personal liability of and a charge against  
8 the owners of the property even if the owners are not named in the  
9 assessment proceeding.

10 (c) The lien is effective from the date of the board's  
11 resolution imposing the assessment until the date the assessment is  
12 paid. The board may enforce the lien in the same manner that the  
13 board may enforce an ad valorem tax lien against real property.

14 (d) The board may correct, add to, or delete assessments  
15 from its assessment rolls after notice and hearing as provided by  
16 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
17 Secs. 376.012(a) (part), 376.020.)

18 Sec. 3801.156. PROHIBITED EXEMPTIONS. A single-family  
19 residential property or a residential duplex, triplex, fourplex, or  
20 condominium may not be exempt from the imposition of a tax, an  
21 impact fee, or an assessment if the tax, impact fee, or assessment  
22 is imposed in accordance with this chapter. (Loc. Gov. Code, Sec.  
23 376.016.)

24 Sec. 3801.157. OBLIGATIONS; APPROVAL BY CITY OF  
25 HOUSTON. (a) The district may issue bonds or other obligations  
26 payable in whole or in part from ad valorem taxes, assessments,  
27 impact fees, revenue, grants, or other money of the district, or any

1 combination of those sources of money, to pay for any authorized  
2 purpose of the district, other than to finance a domed football  
3 stadium.

4 (b) In exercising the district's borrowing power, the  
5 district may issue a bond or other obligation in the form of a bond,  
6 note, certificate of participation or other instrument evidencing a  
7 proportionate interest in payments to be made by the district, or  
8 other type of obligation.

9 (c) Except as provided by Subsection (d), the district must  
10 obtain the approval of the City of Houston:

11 (1) for the issuance of a bond for each improvement  
12 project; and

13 (2) of the plans and specifications of the improvement  
14 project to be financed by the bond.

15 (d) If the district obtains the approval of the City of  
16 Houston of a capital improvements budget for a specified period not  
17 to exceed five years, the district may finance the capital  
18 improvements and issue bonds specified in the budget without  
19 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
20 376.019(a), (b), (c), (d).)

21 Sec. 3801.158. ELECTIONS REGARDING TAXES OR  
22 BONDS. (a) In addition to the elections required under  
23 Subchapter L, Chapter 375, Local Government Code, the district must  
24 hold an election in the manner provided by that subchapter to obtain  
25 voter approval before the district may:

26 (1) impose a maintenance tax; or

27 (2) issue a bond payable from ad valorem taxes or

1 assessments.

2 (b) The board may submit multiple purposes in a single  
3 proposition at an election.

4 (c) The board may not call an election under this chapter  
5 unless a written petition requesting an election has been filed  
6 with the board. The petition must be signed by:

7 (1) the owners of a majority of the assessed value of  
8 real property in the district according to the most recent  
9 certified tax appraisal roll for Harris County; or

10 (2) at least 50 owners of land in the district, if more  
11 than 50 persons own property in the district as determined by the  
12 most recent certified tax appraisal roll for Harris County. (Loc.  
13 Gov. Code, Sec. 376.022.)

14 Sec. 3801.159. SALES AND USE TAX PROHIBITED. The district  
15 may not impose a sales and use tax. (Loc. Gov. Code, Sec.  
16 376.012(b) (part).)

17 [Sections 3801.160-3801.200 reserved for expansion]

#### 18 SUBCHAPTER E. DISSOLUTION

19 Sec. 3801.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
20 DEBT. Despite this section and Section 375.264, Local Government  
21 Code, the district may be dissolved as provided by Subchapter M,  
22 Chapter 375, Local Government Code, if the district has debt. If  
23 the district has debt when it is dissolved, the district shall  
24 remain in existence solely for the purpose of discharging its bonds  
25 or other obligations according to their terms. (Loc. Gov. Code,  
26 Sec. 376.025.)

#### 27 CHAPTER 3802. WESTCHASE DISTRICT

1 SUBCHAPTER A. GENERAL PROVISIONS

2 Sec. 3802.001. DEFINITIONS

3 Sec. 3802.002. WESTCHASE DISTRICT

4 Sec. 3802.003. PURPOSE; DECLARATION OF INTENT

5 Sec. 3802.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

6 Sec. 3802.005. DISTRICT TERRITORY

7 Sec. 3802.006. APPLICABILITY OF OTHER LAW

8 Sec. 3802.007. LIBERAL CONSTRUCTION OF CHAPTER

9 [Sections 3802.008-3802.050 reserved for expansion]

10 SUBCHAPTER B. BOARD OF DIRECTORS

11 Sec. 3802.051. BOARD OF DIRECTORS; TERMS

12 Sec. 3802.052. APPOINTMENT OF DIRECTORS

13 Sec. 3802.053. EX OFFICIO DIRECTORS

14 [Sections 3802.054-3802.100 reserved for expansion]

15 SUBCHAPTER C. POWERS AND DUTIES

16 Sec. 3802.101. DISTRICT POWERS

17 Sec. 3802.102. RELATION TO OTHER LAW

18 Sec. 3802.103. CONTRACTS; GRANTS

19 Sec. 3802.104. COMPETITIVE BIDDING

20 Sec. 3802.105. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS

21 [Sections 3802.106-3802.150 reserved for expansion]

22 SUBCHAPTER D. FINANCIAL PROVISIONS

23 Sec. 3802.151. PETITION REQUIRED FOR FINANCING SERVICES AND

24 IMPROVEMENTS

25 Sec. 3802.152. DISBURSEMENTS AND TRANSFERS OF MONEY

26 Sec. 3802.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,

27 ASSESSMENTS, AND IMPACT FEES

1    Sec. 3802.154.    MAINTENANCE TAX  
 2    Sec. 3802.155.    ASSESSMENTS; LIENS FOR ASSESSMENTS  
 3    Sec. 3802.156.    TAX AND ASSESSMENT ABATEMENTS  
 4    Sec. 3802.157.    PROPERTY EXEMPT FROM ASSESSMENT AND  
 5                                IMPACT FEES  
 6    Sec. 3802.158.    OBLIGATIONS; APPROVAL BY CITY OF HOUSTON  
 7    Sec. 3802.159.    ELECTIONS REGARDING TAXES OR BONDS  
 8    Sec. 3802.160.    SALES AND USE TAX PROHIBITED  
 9                [Sections 3802.161-3802.200 reserved for expansion]  
 10                                SUBCHAPTER E.   DISSOLUTION  
 11    Sec. 3802.201.    DISSOLUTION OF DISTRICT WITH OUTSTANDING  
 12                                DEBT  
 13                                CHAPTER 3802.   WESTCHASE DISTRICT  
 14                                SUBCHAPTER A.   GENERAL PROVISIONS  
 15                Sec. 3802.001.   DEFINITIONS.   In this chapter:  
 16                                (1)   "Board" means the board of directors of the  
 17    district.  
 18                                (2)   "District" means the Westchase District.   (Loc.  
 19    Gov. Code, Secs. 376.043(1), (3).)  
 20                Sec. 3802.002.   WESTCHASE DISTRICT.   A special district in  
 21    Harris County known as the "Westchase District" is a governmental  
 22    agency and political subdivision of this state.   (Loc. Gov. Code,  
 23    Sec. 376.041(a).)  
 24                Sec. 3802.003.   PURPOSE; DECLARATION OF INTENT.   (a)   The  
 25    creation of the district is essential to accomplish the purposes of  
 26    Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
 27    Texas Constitution, and other public purposes stated in this

1 chapter. By creating the district and in authorizing Harris  
2 County, the City of Houston, and other political subdivisions to  
3 contract with the district, the legislature has established a  
4 program to accomplish the public purposes set out in Section 52-a,  
5 Article III, Texas Constitution.

6 (b) The creation of the district is necessary to promote,  
7 develop, encourage, and maintain employment, commerce,  
8 transportation, housing, tourism, recreation, the arts,  
9 entertainment, economic development, safety, and the public  
10 welfare in the Westchase area of Harris County.

11 (c) This chapter and the creation of the district may not be  
12 interpreted to relieve Harris County or the City of Houston from  
13 providing the level of services provided as of August 28, 1995, to  
14 the area in the district or to release the county or the city from  
15 the obligations of each entity to provide services to that area.  
16 The district is created to supplement and not to supplant the county  
17 or city services provided in the area in the district. (Loc. Gov.  
18 Code, Secs. 376.041(c), 376.042.)

19 Sec. 3802.004. FINDINGS OF BENEFIT AND PUBLIC  
20 PURPOSE. (a) The district is created to serve a public use and  
21 benefit.

22 (b) All land and other property included in the district  
23 will benefit from the improvements and services to be provided by  
24 the district under powers conferred by Sections 52 and 52-a,  
25 Article III, and Section 59, Article XVI, Texas Constitution, and  
26 other powers granted under this chapter.

27 (c) The creation of the district is in the public interest



1 and is essential to:

2 (1) further the public purposes of developing and  
3 diversifying the economy of the state;

4 (2) eliminate unemployment and underemployment; and

5 (3) develop or expand transportation and commerce.

6 (d) The district will:

7 (1) promote the health, safety, and general welfare of  
8 residents, employers, employees, visitors, and consumers in the  
9 district, and of the public;

10 (2) provide needed funding for the Westchase area to  
11 preserve, maintain, and enhance the economic health and vitality of  
12 the area as a community and business center; and

13 (3) promote the health, safety, welfare, and enjoyment  
14 of the public by providing pedestrian ways and by landscaping and  
15 developing certain areas in the district, which are necessary for  
16 the restoration, preservation, and enhancement of scenic and  
17 aesthetic beauty.

18 (e) Pedestrian ways along or across a street, whether at  
19 grade or above or below the surface, and street lighting, street  
20 landscaping, and street art objects are parts of and necessary  
21 components of a street and are considered to be a street or road  
22 improvement.

23 (f) The district will not act as the agent or  
24 instrumentality of any private interest even though the district  
25 will benefit many private interests as well as the public. (Loc.  
26 Gov. Code, Sec. 376.046.)

27 Sec. 3802.005. DISTRICT TERRITORY. (a) The district is

1 composed of the territory described by Section 23.04(b), Chapter  
2 165, Acts of the 75th Legislature, Regular Session, 1997, enacting  
3 former Section 376.044, Local Government Code, as that territory  
4 may have been modified under:

5 (1) Subchapter J, Chapter 49, Water Code; or

6 (2) other law.

7 (b) The boundaries and field notes of the district contained  
8 in Section 23.04(b), Chapter 165, Acts of the 75th Legislature,  
9 Regular Session, 1997, enacting former Section 376.044, Local  
10 Government Code, form a closure. A mistake in the field notes or in  
11 copying the field notes in the legislative process does not affect  
12 in any way:

13 (1) the district's organization, existence, and  
14 validity;

15 (2) the district's right to issue any type of bond,  
16 including a refunding bond, for a purpose for which the district is  
17 created or to pay the principal of and interest on the bond;

18 (3) the district's right to impose and collect an  
19 assessment or tax; or

20 (4) the legality or operation of the district or the  
21 board. (Loc. Gov. Code, Sec. 376.045; New.)

22 Sec. 3802.006. APPLICABILITY OF OTHER LAW. Except as  
23 otherwise provided by this chapter, Chapter 375, Local Government  
24 Code, applies to the district. (Loc. Gov. Code, Sec. 376.047.)

25 Sec. 3802.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
26 chapter shall be liberally construed in conformity with the  
27 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.

1 376.048.)

2 [Sections 3802.008-3802.050 reserved for expansion]

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 3802.051. BOARD OF DIRECTORS; TERMS. The district is  
5 governed by a board of 17 directors who serve staggered terms of  
6 four years, with eight or nine directors' terms expiring June 1 of  
7 each odd-numbered year. (Loc. Gov. Code, Sec. 376.049(a).)

8 Sec. 3802.052. APPOINTMENT OF DIRECTORS. (a) The mayor  
9 and members of the governing body of the City of Houston shall  
10 appoint directors from persons recommended by the board.

11 (b) The mayor and members of the governing body of the City  
12 of Houston shall appoint as directors for the positions indicated  
13 persons representing the following interests:

14 (1) positions 1, 11, and 12 must represent owners of  
15 multifamily rental housing with at least 200 rental units;

16 (2) position 2 must be a lessee of office space of at  
17 least 30,000 square feet of rentable area;

18 (3) positions 9 and 10 must represent owners of office  
19 facilities with at least 500 employees or a taxable value in excess  
20 of \$10 million;

21 (4) positions 8, 13, and 14 must represent owners of  
22 multitenant office buildings;

23 (5) position 15 must represent owners of multitenant  
24 retail property or major retail tenants of at least 20,000 square  
25 feet;

26 (6) position 16 must represent owners of temporary  
27 lodging facilities with on-site food service;

1           (7) position 17 must represent owners of undeveloped  
2 property with a contiguous area of at least five acres; and

3           (8) positions 3, 4, 5, 6, and 7 must represent the  
4 district at large and may be filled by any person qualified to serve  
5 on the board as provided by Section 375.063, Local Government Code.  
6 (Loc. Gov. Code, Sec. 376.050 (part).)

7           Sec. 3802.053. EX OFFICIO DIRECTORS. The board may appoint  
8 nonvoting ex officio directors to serve on the board. (Loc. Gov.  
9 Code, Sec. 376.051.)

10           [Sections 3802.054-3802.100 reserved for expansion]

11                       SUBCHAPTER C. POWERS AND DUTIES

12           Sec. 3802.101. DISTRICT POWERS. The district has:

13           (1) all powers necessary to accomplish the purposes  
14 for which the district was created;

15           (2) the rights, powers, privileges, authority, and  
16 functions of a district created under Chapter 375, Local Government  
17 Code; and

18           (3) the powers given to a corporation under Section  
19 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
20 Texas Civil Statutes), and the power to own, operate, acquire,  
21 construct, lease, improve, and maintain projects described by that  
22 section. (Loc. Gov. Code, Sec. 376.052(a) (part).)

23           Sec. 3802.102. RELATION TO OTHER LAW. This chapter  
24 prevails over a law to which Section 3802.101 or 3802.156 refers  
25 that is in conflict with or is inconsistent with this chapter.  
26 (Loc. Gov. Code, Sec. 376.054 (part).)

27           Sec. 3802.103. CONTRACTS; GRANTS. (a) To protect the

1 public interest, the district may contract with Harris County or  
2 the City of Houston for the county or the city to provide law  
3 enforcement services in the district for a fee.

4 (b) Harris County, the City of Houston, or another political  
5 subdivision of this state, without further authorization, may  
6 contract with the district to implement a project of the district or  
7 assist the district in providing the services authorized under this  
8 chapter. A contract under this subsection may:

- 9 (1) be for a period on which the parties agree;  
10 (2) include terms on which the parties agree;  
11 (3) be payable from taxes or any other source of  
12 revenue that may be available for that project or service; or  
13 (4) provide terms under which taxes or other revenue  
14 collected at a district project or from a person using or purchasing  
15 a commodity or service at a district project may be paid or rebated  
16 to the district.

17 (c) The district may enter into a contract, lease, or other  
18 agreement with or make or accept a grant or loan to or from any  
19 person, including:

- 20 (1) the United States;  
21 (2) this state or a state agency;  
22 (3) any political subdivision of this state; and  
23 (4) a public or private corporation, including a  
24 nonprofit corporation created by the board under other law.

25 (d) The district may perform all acts necessary for the full  
26 exercise of the powers vested in the district on terms and for the  
27 period the board determines advisable. (Loc. Gov. Code, Sec.

1 376.064.)

2       Sec. 3802.104. COMPETITIVE BIDDING. The district may  
3 enter into a contract for more than \$10,000 for services,  
4 improvements, or the purchase of property, including materials,  
5 machinery, equipment, and supplies, only as provided by Subchapter  
6 K, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec.  
7 376.065.)

8       Sec. 3802.105. APPROVAL OF CERTAIN IMPROVEMENT  
9 PROJECTS. The district must obtain the City of Houston's approval  
10 of the plans and specifications of any district improvement project  
11 related to the use of land owned by the City of Houston, an easement  
12 granted by the City of Houston, or a right-of-way of a street, road,  
13 or highway. (Loc. Gov. Code, Sec. 376.059.)

14       [Sections 3802.106-3802.150 reserved for expansion]

15                   SUBCHAPTER D. FINANCIAL PROVISIONS

16       Sec. 3802.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
17 IMPROVEMENTS. The board may not finance a service or an  
18 improvement project under this chapter unless a written petition  
19 requesting that service or improvement has been filed with the  
20 board. The petition must be signed by:

21           (1) the owners of a majority of the assessed value of  
22 real property in the district according to the most recent  
23 certified tax appraisal roll for Harris County; or

24           (2) at least 50 owners of property in the district, if  
25 more than 50 persons own property in the district according to the  
26 most recent certified tax appraisal roll for Harris County. (Loc.  
27 Gov. Code, Sec. 376.055.)

1           Sec. 3802.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
2 board by resolution shall establish the number of directors'  
3 signatures and the procedure required for a disbursement or  
4 transfer of the district's money. (Loc. Gov. Code, Sec. 376.056.)

5           Sec. 3802.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
6 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad  
7 valorem tax, assessment, or impact fee as provided by Chapter 375,  
8 Local Government Code, to provide an improvement or service for a  
9 project or activity the district may acquire, construct, improve,  
10 or provide under this chapter. (Loc. Gov. Code, Sec. 376.052(a)  
11 (part).)

12           Sec. 3802.154. MAINTENANCE TAX. (a) If authorized at an  
13 election held in accordance with Section 3802.159, the district may  
14 impose an annual ad valorem tax on taxable property in the district  
15 to:

16                   (1) maintain and operate the district and the  
17 improvements constructed or acquired by the district; or

18                   (2) provide services to industrial or commercial  
19 businesses, residents, or property owners.

20           (b) The board shall determine the tax rate. (Loc. Gov.  
21 Code, Sec. 376.062.)

22           Sec. 3802.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
23 The board by resolution may impose and collect an assessment for any  
24 purpose authorized by this chapter.

25           (b) An assessment, a reassessment, or an assessment  
26 resulting from an addition to or correction of the assessment roll  
27 by the district, penalties and interest on an assessment or

1 reassessment, an expense of collection, and reasonable attorney's  
2 fees incurred by the district:

3 (1) are a first and prior lien against the property  
4 assessed;

5 (2) are superior to any other lien or claim other than  
6 a lien or claim for county, school district, or municipal ad valorem  
7 taxes; and

8 (3) are the personal liability of and a charge against  
9 the owners of the property even if the owners are not named in the  
10 assessment proceeding.

11 (c) The lien is effective from the date of the board's  
12 resolution imposing the assessment until the date the assessment is  
13 paid. The board may enforce the lien in the same manner that the  
14 board may enforce an ad valorem tax lien against real property.

15 (d) The board may correct, add to, or delete assessments  
16 from its assessment rolls after notice and hearing as provided by  
17 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
18 Secs. 376.052(a) (part), 376.058(a), (b), (c).)

19 Sec. 3802.156. TAX AND ASSESSMENT ABATEMENTS. Without  
20 additional procedures, the district may grant, consistent with  
21 Chapter 312, Tax Code, an abatement for a tax or assessment owed to  
22 the district. (Loc. Gov. Code, Sec. 376.052(a) (part).)

23 Sec. 3802.157. PROPERTY EXEMPT FROM ASSESSMENT AND IMPACT  
24 FEES. The district may not impose an assessment or impact fee on  
25 the property, equipment, or facilities of:

26 (1) an electric utility, as defined by Section 31.002,  
27 Utilities Code; or



1           (2) a public utility, as defined by Section 51.002,  
2 Utilities Code. (Loc. Gov. Code, Secs. 376.058(d), 376.061(b).)

3           Sec. 3802.158. OBLIGATIONS; APPROVAL BY CITY OF  
4 HOUSTON. (a) The district may issue bonds or other obligations  
5 payable in whole or in part from ad valorem taxes, assessments,  
6 impact fees, revenue, grants, or other money of the district, or any  
7 combination of those sources of money, to pay for any authorized  
8 purpose of the district.

9           (b) In exercising the district's borrowing power, the  
10 district may issue a bond or other obligation in the form of a bond,  
11 note, certificate of participation or other instrument evidencing a  
12 proportionate interest in payments to be made by the district, or  
13 other type of obligation.

14           (c) Except as provided by Subsection (d), the district must  
15 obtain the approval of the City of Houston:

16                 (1) for the issuance of a bond for each improvement  
17 project; and

18                 (2) of the plans and specifications of the improvement  
19 project to be financed by the bond.

20           (d) If the district obtains the approval of the City of  
21 Houston of a capital improvements budget for a specified period not  
22 to exceed five years, the district may finance the capital  
23 improvements and issue bonds specified in the budget without  
24 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
25 376.057(a), (b), (c), (d).)

26           Sec. 3802.159. ELECTIONS REGARDING TAXES OR  
27 BONDS. (a) In addition to the elections required under

1 Subchapter L, Chapter 375, Local Government Code, the district must  
2 hold an election in the manner provided by that subchapter to obtain  
3 voter approval before the district may:

4 (1) impose a maintenance tax; or

5 (2) issue a bond payable from ad valorem taxes or  
6 assessments.

7 (b) The board may submit multiple purposes in a single  
8 proposition at an election.

9 (c) The board may not call an election under this chapter  
10 unless a written petition requesting an election has been filed  
11 with the board. The petition must be signed by:

12 (1) the owners of a majority of the assessed value of  
13 real property in the district according to the most recent  
14 certified tax appraisal roll for Harris County; or

15 (2) at least 50 persons who own property in the  
16 district, if there are more than 50 persons who own property in the  
17 district according to the most recent certified tax appraisal roll  
18 for Harris County. (Loc. Gov. Code, Sec. 376.060.)

19 Sec. 3802.160. SALES AND USE TAX PROHIBITED. The district  
20 may not impose a sales and use tax. (Loc. Gov. Code, Sec.  
21 376.052(b) (part).)

22 [Sections 3802.161-3802.200 reserved for expansion]

#### 23 SUBCHAPTER E. DISSOLUTION

24 Sec. 3802.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
25 DEBT. Despite this section and Section 375.264, Local Government  
26 Code, the district may be dissolved as provided by Subchapter M,  
27 Chapter 375, Local Government Code, if the district has debt. If

1 the district has debt when it is dissolved, the district shall  
2 remain in existence solely for the purpose of discharging its bonds  
3 or other obligations according to their terms. (Loc. Gov. Code,  
4 Sec. 376.063.)

5 CHAPTER 3803. GREATER GREENSPPOINT MANAGEMENT DISTRICT  
6 OF HARRIS COUNTY

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 3803.001. DEFINITIONS

9 Sec. 3803.002. GREATER GREENSPPOINT MANAGEMENT  
10 DISTRICT OF HARRIS COUNTY

11 Sec. 3803.003. PURPOSE; DECLARATION OF INTENT

12 Sec. 3803.004. FINDINGS OF BENEFIT AND PUBLIC  
13 PURPOSE

14 Sec. 3803.005. DISTRICT TERRITORY

15 Sec. 3803.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE  
16 ZONES

17 Sec. 3803.007. FORECLOSURE OF PREEXISTING TAX LIEN  
18 ON PROPERTY OWNED BY DISTRICT  
19 PROHIBITED

20 Sec. 3803.008. RELATION TO OTHER LAW

21 Sec. 3803.009. LIBERAL CONSTRUCTION OF CHAPTER

22 [Sections 3803.010-3803.050 reserved for expansion]

23 SUBCHAPTER B. BOARD OF DIRECTORS

24 Sec. 3803.051. BOARD OF DIRECTORS; TERMS

25 Sec. 3803.052. APPOINTMENT OF DIRECTORS

26 [Sections 3803.053-3803.100 reserved for expansion]

27 SUBCHAPTER C. POWERS AND DUTIES

1    Sec. 3803.101.    DISTRICT POWERS  
 2    Sec. 3803.102.    NONPROFIT CORPORATION  
 3    Sec. 3803.103.    CONTRACTS; GRANTS  
 4    Sec. 3803.104.    MEMBERSHIP IN CHARITABLE ORGANIZATIONS  
 5                    [Sections 3803.105-3803.150 reserved for expansion]  
 6                    SUBCHAPTER D.   FINANCIAL PROVISIONS  
 7    Sec. 3803.151.    PETITION REQUIRED FOR FINANCING SERVICES AND  
 8                    IMPROVEMENTS  
 9    Sec. 3803.152.    AUTHORITY TO IMPOSE AD VALOREM TAXES,  
 10                    ASSESSMENTS, AND IMPACT FEES  
 11    Sec. 3803.153.    MAINTENANCE TAX  
 12    Sec. 3803.154.    ASSESSMENTS; LIENS FOR ASSESSMENTS  
 13    Sec. 3803.155.    TAX AND ASSESSMENT ABATEMENTS  
 14    Sec. 3803.156.    PROPERTY EXEMPT FROM ASSESSMENT AND  
 15                    IMPACT FEES  
 16    Sec. 3803.157.    OBLIGATIONS  
 17    Sec. 3803.158.    ELECTIONS REGARDING TAXES OR  
 18                    BONDS  
 19    Sec. 3803.159.    SALES AND USE TAX PROHIBITED  
 20                    CHAPTER 3803.   GREATER GREENSPPOINT MANAGEMENT DISTRICT  
 21                    OF HARRIS COUNTY  
 22                    SUBCHAPTER A.   GENERAL PROVISIONS  
 23                    Sec. 3803.001.   DEFINITIONS.   In this chapter:  
 24                    (1)   "Board"   means   the   board   of   directors   of   the  
 25                    district.  
 26                    (2)   "District"   means   the   Greater   Greenspoint  
 27                    Management District of Harris County.   (Loc. Gov. Code, Secs.

1 376.083(1), (3).)

2 Sec. 3803.002. GREATER GREENSPPOINT MANAGEMENT DISTRICT OF  
3 HARRIS COUNTY. A special district known as the "Greater  
4 Greenspoint Management District of Harris County" is a governmental  
5 agency and political subdivision of this state. (Loc. Gov. Code,  
6 Sec. 376.081(a).)

7 Sec. 3803.003. PURPOSE; DECLARATION OF INTENT. (a) The  
8 creation of the district is essential to accomplish the purposes of  
9 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
10 Texas Constitution, and to other public purposes stated in this  
11 chapter. By creating the district and in authorizing Harris  
12 County, the City of Houston, and other political subdivisions to  
13 contract with the district, the legislature has established a  
14 program to accomplish the public purposes set out in Section 52-a,  
15 Article III, Texas Constitution.

16 (b) The creation of the district is necessary to promote,  
17 develop, encourage, and maintain employment, commerce, economic  
18 development, the public welfare, transportation, housing, tourism,  
19 convention and convocation activities, recreation, the arts,  
20 entertainment, and safety in the greater Greenspoint area of Harris  
21 County.

22 (c) This chapter and the creation of the district may not be  
23 interpreted to relieve Harris County or the City of Houston from  
24 providing the level of services provided as of August 26, 1991, to  
25 the area in the district or to release the county or the city from  
26 the obligations of each entity to provide services to that area.  
27 The district is created to supplement and not to supplant the county

1 or city services in the area in the district. (Loc. Gov. Code,  
2 Secs. 376.081(c), 376.082.)

3 Sec. 3803.004. FINDINGS OF BENEFIT AND PUBLIC  
4 PURPOSE. (a) The district is created to serve a public use and  
5 benefit.

6 (b) All land and other property included in the district  
7 will benefit from the improvements and services to be provided by  
8 the district under powers conferred by Sections 52 and 52-a,  
9 Article III, and Section 59, Article XVI, Texas Constitution, and  
10 other powers granted under this chapter.

11 (c) The creation of the district is in the public interest  
12 and is essential to:

13 (1) further the public purposes of developing and  
14 diversifying the economy of the state;

15 (2) eliminate unemployment and underemployment; and

16 (3) develop or expand transportation and commerce.

17 (d) The district will:

18 (1) promote the health, safety, and general welfare of  
19 residents, employers, employees, and consumers in the district, and  
20 of the public;

21 (2) provide needed funding for the greater Greenspoint  
22 area to preserve, maintain, and enhance the economic health and  
23 vitality of the area as a community and business center; and

24 (3) promote the health, safety, welfare, and enjoyment  
25 of the public by providing pedestrian ways and by landscaping and  
26 developing certain areas in the district, which are necessary for  
27 the restoration, preservation, and enhancement of scenic and

1 aesthetic beauty.

2 (e) Pedestrian ways along or across a street, whether at  
3 grade or above or below the surface, and street lighting, street  
4 landscaping, and street art objects are parts of and necessary  
5 components of a street and are considered to be a street or road  
6 improvement.

7 (f) The district will not act as the agent or  
8 instrumentality of any private interest even though the district  
9 will benefit many private interests as well as the public. (Loc.  
10 Gov. Code, Sec. 376.086.)

11 Sec. 3803.005. DISTRICT TERRITORY. (a) The district is  
12 composed of the territory described by Section 23.04(b), Chapter  
13 165, Acts of the 75th Legislature, Regular Session, 1997, enacting  
14 former Section 376.084, Local Government Code, as that territory  
15 may have been modified under:

16 (1) Subchapter J, Chapter 49, Water Code; or

17 (2) other law.

18 (b) The boundaries and field notes of the district contained  
19 in Section 23.04(b), Chapter 165, Acts of the 75th Legislature,  
20 Regular Session, 1997, enacting former Section 376.084, Local  
21 Government Code, form a closure. A mistake in the field notes or in  
22 copying the field notes in the legislative process does not in any  
23 way affect:

24 (1) the district's organization, existence, and  
25 validity;

26 (2) the district's right to issue any type of bond,  
27 including a refunding bond, for a purpose for which the district is

1 created or to pay the principal of and interest on the bond;

2 (3) the district's right to impose and collect an  
3 assessment or tax; or

4 (4) the legality or operation of the district or the  
5 board. (Loc. Gov. Code, Sec. 376.085; New.)

6 Sec. 3803.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE  
7 ZONES. (a) All or any part of the area of the district is  
8 eligible, regardless of other statutory criteria, to be included  
9 in:

10 (1) a tax increment reinvestment zone created by the  
11 City of Houston under Chapter 311, Tax Code; or

12 (2) a tax abatement reinvestment zone created by the  
13 City of Houston under Chapter 312, Tax Code.

14 (b) All or any part of the area of the district is eligible  
15 to be nominated for inclusion in an enterprise zone by the City of  
16 Houston under Chapter 2303, Government Code. (Loc. Gov. Code, Sec.  
17 376.102.)

18 Sec. 3803.007. FORECLOSURE OF PREEXISTING TAX LIEN ON  
19 PROPERTY OWNED BY DISTRICT PROHIBITED. Regardless of the manner in  
20 which or the price for which the district obtains title to real  
21 property, a political subdivision or taxing authority may not  
22 foreclose a tax lien or otherwise pursue unpaid taxes on the  
23 property against the district or any successor in title to the  
24 district that is a political subdivision of this state if the lien  
25 or taxes accrued before the district's ownership of the property.  
26 (Loc. Gov. Code, Sec. 376.103.)

27 Sec. 3803.008. RELATION TO OTHER LAW. This chapter



1 prevails over a law to which this chapter refers that is in conflict  
2 with or is inconsistent with this chapter. (Loc. Gov. Code, Sec.  
3 376.091 (part).)

4 Sec. 3803.009. LIBERAL CONSTRUCTION OF CHAPTER. This  
5 chapter shall be liberally construed in conformity with the  
6 legislative findings and purposes stated in this chapter. (Loc.  
7 Gov. Code, Sec. 376.087.)

8 [Sections 3803.010-3803.050 reserved for expansion]

9 SUBCHAPTER B. BOARD OF DIRECTORS

10 Sec. 3803.051. BOARD OF DIRECTORS; TERMS. The district is  
11 governed by a board of 22 directors who serve staggered terms of  
12 four years, with 11 directors' terms expiring June 1 of each  
13 odd-numbered year. (Loc. Gov. Code, Sec. 376.088.)

14 Sec. 3803.052. APPOINTMENT OF DIRECTORS. Subchapter D,  
15 Chapter 375, Local Government Code, governs the appointment and  
16 qualification of directors. (Loc. Gov. Code, Sec. 376.089(b).)

17 [Sections 3803.053-3803.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 3803.101. DISTRICT POWERS. The district has:

20 (1) all powers necessary to accomplish the purposes  
21 for which the district was created;

22 (2) the rights, powers, privileges, and authority of a  
23 district created under Chapter 375, Local Government Code;

24 (3) the powers given to a corporation created under  
25 the Development Corporation Act of 1979 (Article 5190.6, Vernon's  
26 Texas Civil Statutes), including:

27 (A) the power to own, operate, acquire,

1 construct, lease, improve, and maintain the projects described by  
2 that Act and this chapter and any other authorized project; and

3 (B) the power to acquire land and other property  
4 in accordance with Section 4B, Development Corporation Act of 1979  
5 (Article 5190.6, Vernon's Texas Civil Statutes); and

6 (4) the power to create, tax, assess, and hold  
7 elections in a defined area under Chapter 54, Water Code, to provide  
8 improvements or services in the defined area for any project or  
9 activity the district is authorized to acquire, construct, improve,  
10 or provide. (Loc. Gov. Code, Sec. 376.090(a) (part).)

11 Sec. 3803.102. NONPROFIT CORPORATION. (a) The board by  
12 resolution may authorize the creation of a nonprofit corporation to  
13 assist and act for the district in implementing a project,  
14 providing residential housing, or providing a service authorized by  
15 this chapter.

16 (b) The nonprofit corporation:

17 (1) has each power of and is considered for all  
18 purposes to be a local government corporation created under Chapter  
19 431, Transportation Code; and

20 (2) may implement any project and provide any service  
21 authorized by this chapter.

22 (c) The board shall appoint the board of directors of the  
23 nonprofit corporation. The board of directors of the nonprofit  
24 corporation shall serve in the same manner as, for the same term as,  
25 and on the conditions of the board of directors of a local  
26 government corporation created under Chapter 431, Transportation  
27 Code.

1           (d) The nonprofit corporation may be dissolved as provided  
2 by Chapter 431, Transportation Code, for a corporation created  
3 under that chapter. (Loc. Gov. Code, Sec. 376.093.)

4           Sec. 3803.103. CONTRACTS; GRANTS. (a) To protect the  
5 public interest, the district may contract with any county or  
6 municipality in which all or part of the district is located for the  
7 county or municipality to provide law enforcement services in the  
8 district for a fee.

9           (b) Harris County, the City of Houston, or another political  
10 subdivision of this state, without further authorization, may  
11 contract with the district to implement a project of the district or  
12 to assist the district in providing an authorized service. A  
13 contract under this subsection may:

- 14                   (1) be for a period on which the parties agree;  
15                   (2) include terms on which the parties agree;  
16                   (3) be payable from taxes or any other source of  
17 revenue that may be available for the project or service; and  
18                   (4) provide terms under which taxes or other revenue  
19 collected at a district project, at a project in a tax increment  
20 reinvestment zone, or from a person using or purchasing a commodity  
21 or service at a district project may be paid or rebated to the  
22 district.

23           (c) The district may enter into a contract, lease, or other  
24 agreement with or make or accept a grant or loan to or from any  
25 person, including:

- 26                   (1) the United States;  
27                   (2) this state or a state agency;

1           (3) any political subdivision of this state; or  
2           (4) a public or private corporation, including a  
3 nonprofit corporation created by the board under this subchapter.

4           (d) The district may perform all acts necessary for the full  
5 exercise of the powers vested in the district on terms and for the  
6 period the board determines advisable. (Loc. Gov. Code, Sec.  
7 376.100.)

8           Sec. 3803.104. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. (a)  
9 The district may:

10           (1) join and pay dues to an organization that  
11 qualifies for an exemption from federal income taxation under  
12 Section 501(a), Internal Revenue Code of 1986, by being listed as an  
13 exempt organization under Section 501(c)(3), 501(c)(4), or  
14 501(c)(6) of that code; and

15           (2) perform services or provide activities consistent  
16 with the furtherance of the purposes of the district.

17           (b) An expenditure of public money for membership in an  
18 organization described by Subsection (a) is considered to further  
19 the purposes of the district and to be for a public purpose. (Loc.  
20 Gov. Code, Sec. 376.101.)

21           [Sections 3803.105-3803.150 reserved for expansion]

#### 22           SUBCHAPTER D. FINANCIAL PROVISIONS

23           Sec. 3803.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
24 IMPROVEMENTS. (a) The board may not finance a service or an  
25 improvement project under this chapter unless a written petition  
26 requesting the service or improvement is filed with the board.

27           (b) The petition must be signed by:

1           (1) the owners of a majority of the assessed value of  
2 real property in the district according to the most recent  
3 certified tax appraisal roll for Harris County; or

4           (2) at least 50 owners of land in the district, if more  
5 than 50 persons own land in the district according to the most  
6 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
7 Code, Sec. 376.092.)

8           Sec. 3803.152. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
9 ASSESSMENTS, AND IMPACT FEES. The district may, except as provided  
10 by Section 3803.156, impose an ad valorem tax, assessment, or  
11 impact fee as provided by Chapter 375, Local Government Code, to  
12 provide an improvement or service for a project or activity the  
13 district may acquire, construct, improve, or provide under this  
14 chapter. (Loc. Gov. Code, Sec. 376.090(a) (part).)

15           Sec. 3803.153. MAINTENANCE TAX. (a) If authorized at an  
16 election held in accordance with Section 3803.158, the district may  
17 impose an annual ad valorem tax on taxable property in the district  
18 to:

19           (1) maintain and operate the district and the  
20 improvements constructed or acquired by the district; and

21           (2) provide services to industrial or commercial  
22 businesses, residents, or property owners.

23           (b) The board shall determine the tax rate. (Loc. Gov.  
24 Code, Sec. 376.097.)

25           Sec. 3803.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
26 The district may correct, add to, or delete an assessment from its  
27 assessment rolls and collect an assessment due under the

1 correction, addition, or deletion after notice and hearing in the  
2 manner required by Section 375.115, Local Government Code.

3 (b) An assessment, a reassessment, or an assessment  
4 resulting from an addition to or correction of the assessment roll  
5 by the district, penalties and interest on an assessment or  
6 reassessment, an expense of collection, and reasonable attorney's  
7 fees incurred by the district:

8 (1) are a first and prior lien against the property  
9 assessed;

10 (2) are superior to any other lien or claim other than  
11 a lien or claim for county, school district, or municipal ad valorem  
12 taxes; and

13 (3) are the personal liability of and a charge against  
14 the owners of the property even if the owners are not named in the  
15 assessment proceeding.

16 (c) The lien is effective from the date of the board's  
17 resolution imposing the assessment until the date the assessment is  
18 paid. The board may enforce the lien in the same manner that the  
19 board may enforce an ad valorem tax lien against real property.  
20 (Loc. Gov. Code, Secs. 376.090(a) (part), 376.095.)

21 Sec. 3803.155. TAX AND ASSESSMENT ABATEMENTS. Without  
22 further authorization or other procedural requirement, the  
23 district may grant, consistent with Chapter 312, Tax Code, an  
24 abatement for a tax or assessment owed to the district. (Loc. Gov.  
25 Code, Sec. 376.099.)

26 Sec. 3803.156. PROPERTY EXEMPT FROM ASSESSMENT AND IMPACT  
27 FEES. Because the district is created in an area that is devoted

1 primarily to commercial and business activity, the district may not  
2 impose an impact fee or assessment on a single-family residential  
3 property or a residential duplex, triplex, fourplex, or  
4 condominium. (Loc. Gov. Code, Sec. 376.098.)

5       Sec. 3803.157. OBLIGATIONS. (a) The district may issue  
6 bonds or other obligations payable in whole or in part from ad  
7 valorem taxes, assessments, impact fees, revenue, grants, or other  
8 money of the district, or any combination of those sources of money,  
9 to pay for any authorized purpose of the district.

10       (b) In exercising the district's borrowing power, the  
11 district may issue a bond or other obligation in the form of a bond,  
12 note, certificate of participation or other instrument evidencing a  
13 proportionate interest in payments to be made by the district, or  
14 other type of obligation. (Loc. Gov. Code, Sec. 376.094.)

15       Sec. 3803.158. ELECTIONS           REGARDING           TAXES           OR  
16 BONDS. (a) The district must hold an election in the manner  
17 provided by Subchapter L, Chapter 375, Local Government Code, to  
18 obtain voter approval before the district may:

19           (1) impose a maintenance tax; or  
20           (2) issue a bond payable from ad valorem taxes or  
21 assessments.

22       (b) The board may submit multiple purposes in a single  
23 proposition at an election.

24       (c) The board may not call an election under this chapter  
25 unless a written petition requesting an election is filed with the  
26 board. The petition must be signed by 50 owners of property in the  
27 district, if more than 50 persons own property in the district

1 according to the most recent certified tax appraisal roll for  
2 Harris County.

3 (d) When issuing a bond payable from a defined area under  
4 Chapter 54, Water Code, the district must hold the required  
5 election only in the defined area and not in the entire district.  
6 (Loc. Gov. Code, Sec. 376.096.)

7 Sec. 3803.159. SALES AND USE TAX PROHIBITED. The district  
8 may not impose a sales and use tax. (Loc. Gov. Code, Sec.  
9 376.090(b).)

10 CHAPTER 3804. FIRST COLONY MANAGEMENT DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 3804.001. DEFINITIONS

13 Sec. 3804.002. FIRST COLONY MANAGEMENT DISTRICT

14 Sec. 3804.003. PURPOSE; DECLARATION OF INTENT

15 Sec. 3804.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

16 Sec. 3804.005. DISTRICT TERRITORY

17 Sec. 3804.006. ELIGIBILITY FOR REINVESTMENT ZONES

18 Sec. 3804.007. APPLICABILITY OF OTHER LAW

19 Sec. 3804.008. LIBERAL CONSTRUCTION OF CHAPTER

20 [Sections 3804.009-3804.050 reserved for expansion]

21 SUBCHAPTER B. BOARD OF DIRECTORS

22 Sec. 3804.051. BOARD OF DIRECTORS; TERMS

23 Sec. 3804.052. APPOINTMENT OF DIRECTORS

24 Sec. 3804.053. NONVOTING DIRECTORS

25 Sec. 3804.054. REMOVAL OF DIRECTORS

26 [Sections 3804.055-3804.100 reserved for expansion]

27 SUBCHAPTER C. POWERS AND DUTIES



1   Sec. 3804.101.   DISTRICT POWERS  
2   Sec. 3804.102.   RELATION TO OTHER LAW  
3   Sec. 3804.103.   NONPROFIT CORPORATION  
4   Sec. 3804.104.   CONTRACTS; GRANTS  
5   Sec. 3804.105.   COMPETITIVE BIDDING  
6   Sec. 3804.106.   APPROVAL OF CERTAIN IMPROVEMENT PROJECTS  
7   Sec. 3804.107.   LIMITATION ON CERTAIN ACTIONS AFFECTING  
8                    FACILITY OF TEXAS DEPARTMENT OF  
9                    TRANSPORTATION  
10   Sec. 3804.108.   ANNEXATION OR EXCLUSION OF TERRITORY  
11            [Sections 3804.109-3804.150 reserved for expansion]  
12                    SUBCHAPTER D.   FINANCIAL PROVISIONS  
13   Sec. 3804.151.   PETITION REQUIRED FOR FINANCING SERVICES  
14                    AND IMPROVEMENTS  
15   Sec. 3804.152.   DISBURSEMENTS AND TRANSFERS OF MONEY  
16   Sec. 3804.153.   BOARD VOTE REQUIRED TO IMPOSE TAXES,  
17                    ASSESSMENTS, OR IMPACT FEES  
18   Sec. 3804.154.   AUTHORITY TO IMPOSE AD VALOREM TAXES,  
19                    ASSESSMENTS, AND IMPACT FEES  
20   Sec. 3804.155.   MAINTENANCE TAX  
21   Sec. 3804.156.   ASSESSMENTS; LIENS FOR ASSESSMENTS  
22   Sec. 3804.157.   PROPERTY EXEMPT FROM ASSESSMENTS AND  
23                    IMPACT FEES  
24   Sec. 3804.158.   OBLIGATIONS; APPROVAL BY CITY OF SUGAR LAND  
25   Sec. 3804.159.   ELECTIONS REGARDING TAXES OR BONDS  
26            [Sections 3804.160-3804.200 reserved for expansion]  
27                    SUBCHAPTER E.   DISSOLUTION

1   Sec. 3804.201.   DISSOLUTION OF DISTRICT

2                   CHAPTER 3804.   FIRST COLONY MANAGEMENT DISTRICT

3                           SUBCHAPTER A.   GENERAL PROVISIONS

4           Sec. 3804.001.   DEFINITIONS.   In this chapter:

5                   (1)   "Board"   means   the   board   of   directors   of   the  
6   district.

7                   (2)   "District"   means   the   First   Colony   Management  
8   District.   (Loc. Gov. Code, Secs. 376.113(1), (2).)

9           Sec. 3804.002.   FIRST COLONY MANAGEMENT DISTRICT.   A special  
10   district known as the "First Colony Management District" is a  
11   governmental agency and political subdivision of this state. (Loc.  
12   Gov. Code, Sec. 376.111(a).)

13           Sec. 3804.003.   PURPOSE; DECLARATION OF INTENT.   (a)   The  
14   creation of the district is essential to accomplish the purposes of  
15   Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
16   Texas Constitution, and other public purposes stated in this  
17   chapter.   By creating the district and in authorizing Fort Bend  
18   County, the City of Sugar Land, and other political subdivisions to  
19   contract with the district, the legislature has established a  
20   program to accomplish the public purposes set out in Section 52-a,  
21   Article III, Texas Constitution.

22                   (b)   The creation of the district is necessary to promote,  
23   develop,   encourage,   and   maintain   employment,   commerce,  
24   transportation,   housing,   tourism,   recreation,   the   arts,  
25   entertainment,   economic   development,   safety,   and   the   public  
26   welfare in the city of Sugar Land.

27                   (c)   This chapter and the creation of the district may not be

1 interpreted to relieve Fort Bend County or the City of Sugar Land  
2 from providing the level of services provided as of September 1,  
3 1997, to the area in the district or to release the county or the  
4 city from the obligations of each entity to provide services to that  
5 area. The district is created to supplement and not to supplant the  
6 county or city services provided in the area in the district. (Loc.  
7 Gov. Code, Secs. 376.111(c), 376.112.)

8 Sec. 3804.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

9 (a) The district is created to serve a public use and benefit.

10 (b) All land and other property included in the district  
11 will benefit from the improvements and services to be provided by  
12 the district under powers conferred by Sections 52 and 52-a,  
13 Article III, and Section 59, Article XVI, Texas Constitution, and  
14 other powers granted under this chapter.

15 (c) The creation of the district is in the public interest  
16 and is essential to:

17 (1) further the public purposes of developing and  
18 diversifying the economy of the state;

19 (2) eliminate unemployment and underemployment; and

20 (3) develop or expand transportation and commerce.

21 (d) The district will:

22 (1) promote the health, safety, and general welfare of  
23 residents, employers, employees, visitors, and consumers in the  
24 district, and of the public;

25 (2) provide needed funding for the City of Sugar Land  
26 to preserve, maintain, and enhance the economic health and vitality  
27 of the area as a community and business center; and

1           (3) promote the health, safety, welfare, and enjoyment  
2 of the public by providing pedestrian ways and by landscaping and  
3 developing certain areas in the district, which are necessary for  
4 the restoration, preservation, and enhancement of scenic and  
5 aesthetic beauty.

6           (e) Pedestrian ways along or across a street, whether at  
7 grade or above or below the surface, and street lighting, street  
8 landscaping, and street art objects are parts of and necessary  
9 components of a street and are considered to be a street or road  
10 improvement.

11           (f) The district will not act as the agent or  
12 instrumentality of any private interest even though the district  
13 will benefit many private interests as well as the public. (Loc.  
14 Gov. Code, Sec. 376.116.)

15           Sec. 3804.005. DISTRICT TERRITORY. (a) The district is  
16 composed of the territory described by Section 1, Chapter 985, Acts  
17 of the 75th Legislature, Regular Session, 1997, enacting former  
18 Section 376.114, Local Government Code, as that territory may have  
19 been modified under:

20                 (1) Section 3804.108 or its predecessor statute,  
21 former Section 376.122, Local Government Code;

22                 (2) Subchapter J, Chapter 49, Water Code; or

23                 (3) other law.

24           (b) The boundaries and field notes of the district contained  
25 in Section 1, Chapter 985, Acts of the 75th Legislature, Regular  
26 Session, 1997, enacting former Section 376.114, Local Government  
27 Code, form a closure. A mistake in the field notes or in copying the

1 field notes in the legislative process does not in any way affect:

2 (1) the district's organization, existence, and  
3 validity;

4 (2) the district's right to issue any type of bond,  
5 including a refunding bond, for a purpose for which the district is  
6 created or to pay the principal of and interest on the bond;

7 (3) the district's right to impose and collect an  
8 assessment or tax; or

9 (4) the legality or operation of the district or the  
10 board. (Loc. Gov. Code, Sec. 376.115; New.)

11 Sec. 3804.006. ELIGIBILITY FOR REINVESTMENT ZONES.

12 (a) All or any part of the area of the district is eligible to be  
13 included in:

14 (1) a tax increment reinvestment zone created by the  
15 City of Sugar Land under Chapter 311, Tax Code; or

16 (2) a tax abatement reinvestment zone created by the  
17 City of Sugar Land under Chapter 312, Tax Code.

18 (b) A taxing unit participating in a tax increment  
19 reinvestment zone created by a municipality or county may continue  
20 to enter into a tax abatement agreement. (Loc. Gov. Code, Sec.  
21 376.137.)

22 Sec. 3804.007. APPLICABILITY OF OTHER LAW. Except as  
23 otherwise provided by this chapter, Chapter 375, Local Government  
24 Code, applies to the district. (Loc. Gov. Code, Sec. 376.117.)

25 Sec. 3804.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
26 chapter shall be liberally construed in conformity with the  
27 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.

1 376.118.)

2 [Sections 3804.009-3804.050 reserved for expansion]

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 3804.051. BOARD OF DIRECTORS; TERMS. (a) The  
5 district is governed by a board of 13 directors who serve staggered  
6 terms of four years with six or seven directors' terms expiring June  
7 1 of each odd-numbered year.

8 (b) The board by resolution may increase or decrease the  
9 number of directors on the board, but only if it is in the best  
10 interest of the district to do so. The board may not:

11 (1) increase the number of directors to more than 30;  
12 or

13 (2) decrease the number of directors to fewer than  
14 nine. (Loc. Gov. Code, Sec. 376.119(a).)

15 Sec. 3804.052. APPOINTMENT OF DIRECTORS. (a) The mayor  
16 and members of the governing body of the City of Sugar Land shall  
17 appoint directors from persons recommended by the board.

18 (b) A person may not be appointed to the board if the  
19 appointment of that person would result in fewer than two-thirds of  
20 the directors owning property in the city of Sugar Land.

21 (c) An owner of a tract of land in the district that is 10 or  
22 more acres in size may recommend to the board a successor director  
23 to fill a position or vacancy on the board unless a director  
24 recommended by the current or previous owner of the tract is serving  
25 on the board. (Loc. Gov. Code, Secs. 376.120(a) (part), (b), (c).)

26 Sec. 3804.053. NONVOTING DIRECTORS. The board may appoint  
27 nonvoting directors to serve on the board. (Loc. Gov. Code, Sec.

1 376.121.)

2 Sec. 3804.054. REMOVAL OF DIRECTORS. (a) The board may  
3 remove a director if the director has missed half the meetings  
4 scheduled during the preceding 12 months.

5 (b) A director removed under this section may file a written  
6 appeal with the governing body of the City of Sugar Land. The  
7 governing body may reinstate the director if the body finds that the  
8 removal was unwarranted under the circumstances after considering  
9 the reasons for the absences, the time and place of the meetings,  
10 the business conducted at the meetings missed, and any other  
11 relevant circumstances. (Loc. Gov. Code, Sec. 376.120(d).)

12 [Sections 3804.055-3804.100 reserved for expansion]

13 SUBCHAPTER C. POWERS AND DUTIES

14 Sec. 3804.101. DISTRICT POWERS. The district has:

15 (1) all powers necessary to accomplish the purposes  
16 for which the district was created;

17 (2) the rights, powers, privileges, authority, and  
18 functions of a district created under Chapter 375, Local Government  
19 Code; and

20 (3) the powers given to a corporation under Section  
21 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
22 Texas Civil Statutes), and the power to own, operate, acquire,  
23 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
24 Sec. 376.122 (part).)

25 Sec. 3804.102. RELATION TO OTHER LAW. This chapter  
26 prevails over a law to which Section 3804.101 or 3804.108 refers  
27 that is in conflict with or is inconsistent with this chapter.

1 (Loc. Gov. Code, Sec. 376.124 (part).)

2       Sec. 3804.103. NONPROFIT CORPORATION. (a) The board by  
3 resolution may authorize the creation of a nonprofit corporation to  
4 assist and act for the district in implementing a project or  
5 providing a service authorized by this chapter.

6       (b) The nonprofit corporation:

7           (1) has each power of and is considered for purposes of  
8 this chapter to be a local government corporation created under  
9 Chapter 431, Transportation Code; and

10          (2) may implement any project and provide any service  
11 authorized by this chapter.

12       (c) The board shall appoint the board of directors of the  
13 nonprofit corporation. The board of directors of the nonprofit  
14 corporation shall serve in the same manner as, for the same term as,  
15 and on the same conditions as the board of directors of a local  
16 government corporation created under Chapter 431, Transportation  
17 Code. (Loc. Gov. Code, Sec. 376.126.)

18       Sec. 3804.104. CONTRACTS; GRANTS. (a) To protect the  
19 public interest, the district may contract with Fort Bend County or  
20 the City of Sugar Land for the county or the city to provide law  
21 enforcement services in the district for a fee.

22       (b) Fort Bend County, the City of Sugar Land, or another  
23 political subdivision of this state, without further  
24 authorization, may contract with the district to implement a  
25 project of the district or assist the district in providing a  
26 service authorized under this chapter. A contract under this  
27 subsection may:



- 1           (1) be for a period on which the parties agree;
- 2           (2) include terms on which the parties agree;
- 3           (3) be payable from taxes or any other source of
- 4 revenue that may be available for that project or service; and
- 5           (4) provide terms under which taxes or other revenue
- 6 collected at a district project or from a person using or purchasing
- 7 a commodity or service at a district project may be paid or rebated
- 8 to the district.

9           (c) The district may enter into a contract, lease, or other  
10 agreement with or make or accept a grant or loan to or from any  
11 person, including:

- 12           (1) the United States;
- 13           (2) this state or a state agency;
- 14           (3) any political subdivision of this state; and
- 15           (4) a public or private corporation, including a
- 16 nonprofit corporation created by the board under this subchapter.

17           (d) The district may perform all acts necessary for the full  
18 exercise of the powers vested in the district on terms and for the  
19 period the board determines advisable. (Loc. Gov. Code, Sec.  
20 376.135.)

21           Sec. 3804.105. COMPETITIVE BIDDING. The district may enter  
22 a contract for more than \$50,000 for services, improvements, or the  
23 purchase of property, including materials, machinery, equipment,  
24 and supplies, only as provided by Subchapter K, Chapter 375, Local  
25 Government Code. (Loc. Gov. Code, Sec. 376.136.)

26           Sec. 3804.106. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS.  
27 The district must obtain the City of Sugar Land's approval of the

1 plans and specifications of any district improvement project  
2 related to the use of land owned by the City of Sugar Land, an  
3 easement granted by the City of Sugar Land, or a right-of-way of a  
4 street, road, or highway. (Loc. Gov. Code, Sec. 376.130.)

5 Sec. 3804.107. LIMITATION ON CERTAIN ACTIONS AFFECTING  
6 FACILITY OF TEXAS DEPARTMENT OF TRANSPORTATION. The district may  
7 not relocate, adjust, raise, lower, reroute, or change the grade or  
8 the construction of a facility under the jurisdiction of the Texas  
9 Department of Transportation without the department's written  
10 approval. (Loc. Gov. Code, Sec. 376.123(c).)

11 Sec. 3804.108. ANNEXATION OR EXCLUSION OF TERRITORY. The  
12 district may annex or exclude land, whether located inside or  
13 outside the boundaries of the city of Sugar Land, as provided by  
14 Subchapter J, Chapter 49, Water Code. (Loc. Gov. Code, Sec. 376.122  
15 (part).)

16 [Sections 3804.109-3804.150 reserved for expansion]

#### 17 SUBCHAPTER D. FINANCIAL PROVISIONS

18 Sec. 3804.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
19 IMPROVEMENTS. (a) The board may not finance a service or an  
20 improvement project under this chapter unless a written petition  
21 requesting that service or improvement is filed with the board.

22 (b) The petition must be signed by:

23 (1) the owners of a majority of the assessed value of  
24 real property in the district according to the most recent  
25 certified tax appraisal roll for Fort Bend County;

26 (2) the owners of a majority of the surface area of  
27 real property in the district, according to the most recent

1 certified tax appraisal roll for Fort Bend County, excluding roads,  
2 streets, highways, and utility rights-of-way, other public areas,  
3 and any other property exempt from assessment under this chapter;  
4 or

5 (3) at least 50 owners of land in the district, if more  
6 than 50 persons own property in the district according to the most  
7 recent certified tax appraisal roll for Fort Bend County. (Loc.  
8 Gov. Code, Sec. 376.125.)

9 Sec. 3804.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
10 board by resolution shall establish the number of directors'  
11 signatures and the procedure required for a disbursement or  
12 transfer of the district's money. (Loc. Gov. Code, Sec. 376.127.)

13 Sec. 3804.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
14 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
15 or impact fee requires a vote of a majority of the directors  
16 serving. (Loc. Gov. Code, Sec. 376.119(b) (part).)

17 Sec. 3804.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
18 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
19 tax, assessment, or impact fee as provided by Chapter 375, Local  
20 Government Code, to provide an improvement or service for a project  
21 or activity the district may acquire, construct, improve, or  
22 provide under this chapter. (Loc. Gov. Code, Sec. 376.122 (part).)

23 Sec. 3804.155. MAINTENANCE TAX. (a) If authorized at an  
24 election held in accordance with Section 3804.159, the district may  
25 impose an annual ad valorem tax on taxable property in the district  
26 to:

27 (1) maintain and operate the district and the

1 improvements constructed or acquired by the district; or

2 (2) provide a service.

3 (b) The board shall determine the tax rate. (Loc. Gov.  
4 Code, Sec. 376.133.)

5 Sec. 3804.156. ASSESSMENTS; LIENS FOR ASSESSMENTS.

6 (a) The board by resolution may impose and collect an assessment  
7 for any purpose authorized by this chapter.

8 (b) An assessment, a reassessment, or an assessment  
9 resulting from an addition to or correction of the assessment roll  
10 by the district, penalties and interest on an assessment or  
11 reassessment, an expense of collection, and reasonable attorney's  
12 fees incurred by the district:

13 (1) are a first and prior lien against the property  
14 assessed;

15 (2) are superior to any other lien or claim other than  
16 a lien or claim for county, school district, or municipal ad valorem  
17 taxes; and

18 (3) are the personal liability of and a charge against  
19 the owners of the property even if the owners are not named in the  
20 assessment proceeding.

21 (c) The lien is effective from the date of the board's  
22 resolution imposing the assessment until the date the assessment is  
23 paid. The board may enforce the lien in the same manner that the  
24 board may enforce an ad valorem tax lien against real property.

25 (d) The board may correct, add to, or delete assessments  
26 from its assessment rolls after notice and hearing as provided by  
27 Subchapter F, Chapter 375, Local Government Code.

1           (e) If equipment installed, at no cost to the district, on  
2 assessed property reduces the district's cost of providing a  
3 service, the district may reduce the amount of the assessment  
4 against the property for the person required to pay the assessment  
5 by an amount equal to the money saved by the equipment or may rebate  
6 the money saved to the person required to pay the assessment. The  
7 amount of money saved is determined solely by the district. The  
8 district shall determine and apply rebates and reductions under  
9 this subsection in a nondiscriminatory manner. (Loc. Gov. Code,  
10 Secs. 376.122 (part), 376.129(a), (b), (c), (e).)

11           Sec. 3804.157. PROPERTY EXEMPT FROM ASSESSMENTS AND IMPACT  
12 FEES. The district may not, without the consent of the owner,  
13 impose an impact fee or assessment under Chapter 375, Local  
14 Government Code, on:

15           (1) a condominium for which the owner meets all the  
16 requirements to claim a homestead exemption, a single-family  
17 detached residential property, or a residential duplex, triplex, or  
18 fourplex;

19           (2) a tract consistently and continuously used for:

20                   (A) religious worship or a school that is  
21 maintained or owned by or affiliated with a religious organization;  
22 or

23                   (B) a use ancillary to and in keeping with the  
24 operation of a full-service church or school affiliated with a  
25 religious organization;

26           (3) a tract owned by this state or the United States  
27 and used for a public purpose;

1           (4) a tract owned by the City of Sugar Land, Fort Bend  
2 County, or another political subdivision and used for a public  
3 purpose; or

4           (5) a tract that is owned in fee simple by a community  
5 services association or property owners' association and that is  
6 not leased to a person who is not exempt under this chapter. (Loc.  
7 Gov. Code, Sec. 376.129(d).)

8           Sec. 3804.158. OBLIGATIONS; APPROVAL BY CITY OF SUGAR LAND.

9           (a) The district may issue bonds or other obligations payable in  
10 whole or in part from ad valorem taxes, assessments, impact fees,  
11 revenue, grants, or other money of the district, or any combination  
12 of those sources of money, to pay for any authorized purpose of the  
13 district.

14           (b) In exercising the district's borrowing power, the  
15 district may issue a bond or other obligation in the form of a bond,  
16 note, certificate of participation or other instrument evidencing a  
17 proportionate interest in payments to be made by the district, or  
18 other type of obligation.

19           (c) Except as provided by Subsection (d), the district must  
20 obtain the approval of the City of Sugar Land:

21                 (1) for the issuance of a bond for each improvement  
22 project; and

23                 (2) of the plans and specifications of the improvement  
24 project to be financed by the bond.

25           (d) If the district obtains the approval of the City of  
26 Sugar Land of a capital improvements budget for a specified period  
27 not to exceed five years, the district may finance the capital

1 improvements and issue bonds specified in the budget without  
2 further approval from the City of Sugar Land. (Loc. Gov. Code,  
3 Secs. 376.128(a), (b), (c), (d).)

4 Sec. 3804.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
5 addition to the elections required under Subchapter L, Chapter 375,  
6 Local Government Code, the district must hold an election in the  
7 manner provided by that subchapter to obtain voter approval before  
8 the district may:

9 (1) impose a maintenance tax; or

10 (2) issue a bond payable from ad valorem taxes or  
11 assessments.

12 (b) The board may submit multiple purposes in a single  
13 proposition at an election.

14 (c) The board may not call an election under this chapter  
15 unless a written petition requesting an election is filed with the  
16 board. The petition must be signed by:

17 (1) the owners of a majority of the assessed value of  
18 real property in the district according to the most recent  
19 certified tax appraisal roll for Fort Bend County;

20 (2) the owners of the majority of the surface area of  
21 real property in the district, according to the most recent  
22 certified tax appraisal roll for Fort Bend County, excluding roads,  
23 streets, highways, and utility rights-of-way, other public areas,  
24 and any other property exempt from assessment under this chapter;  
25 or

26 (3) at least 50 owners of land in the district, if more  
27 than 50 persons own property in the district according to the most

1 recent certified tax appraisal roll for Fort Bend County. (Loc.  
2 Gov. Code, Sec. 376.131.)

3 [Sections 3804.160-3804.200 reserved for expansion]

4 SUBCHAPTER E. DISSOLUTION

5 Sec. 3804.201. DISSOLUTION OF DISTRICT. (a) The district  
6 may be dissolved as provided by Subchapter M, Chapter 375, Local  
7 Government Code, except that the dissolution must be approved by:

8 (1) a three-fourths vote of the board; and

9 (2) a two-thirds vote of the City of Sugar Land's  
10 governing body.

11 (b) Despite this section and Section 375.264, Local  
12 Government Code, the district may be dissolved as provided by  
13 Subchapter M, Chapter 375, Local Government Code, if the district  
14 has debt. If the district has debt when it is dissolved, the  
15 district shall remain in existence solely for the purpose of  
16 discharging its bonds or other obligations according to their  
17 terms. (Loc. Gov. Code, Sec. 376.134.)

18 CHAPTER 3805. UPPER KIRBY MANAGEMENT DISTRICT

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Sec. 3805.001. DEFINITIONS

21 Sec. 3805.002. UPPER KIRBY MANAGEMENT DISTRICT

22 Sec. 3805.003. PURPOSE; DECLARATION OF INTENT

23 Sec. 3805.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

24 Sec. 3805.005. DISTRICT TERRITORY

25 Sec. 3805.006. TORT LIABILITY

26 Sec. 3805.007. ELIGIBILITY FOR REINVESTMENT ZONES

27 Sec. 3805.008. RELATION TO OTHER LAW



1   Sec. 3805.009.   LIBERAL CONSTRUCTION OF CHAPTER  
2                   [Sections 3805.010-3805.050 reserved for expansion]  
3                   SUBCHAPTER B.   BOARD OF DIRECTORS  
4   Sec. 3805.051.   BOARD OF DIRECTORS; TERMS  
5   Sec. 3805.052.   APPOINTMENT OF DIRECTORS ON INCREASE  
6                   IN BOARD SIZE  
7                   [Sections 3805.053-3805.100 reserved for expansion]  
8                   SUBCHAPTER C.   POWERS AND DUTIES  
9   Sec. 3805.101.   DISTRICT POWERS  
10   Sec. 3805.102.   NONPROFIT CORPORATION  
11   Sec. 3805.103.   ELECTIONS  
12   Sec. 3805.104.   CONTRACT FOR LAW ENFORCEMENT AND SECURITY  
13                   SERVICES  
14   Sec. 3805.105.   ANNEXATION OR EXCLUSION OF TERRITORY  
15                   [Sections 3805.106-3805.150 reserved for expansion]  
16                   SUBCHAPTER D.   FINANCIAL PROVISIONS  
17   Sec. 3805.151.   AUTHORITY TO IMPOSE ASSESSMENTS, AD VALOREM  
18                   TAXES, AND IMPACT FEES  
19   Sec. 3805.152.   MAINTENANCE TAX  
20   Sec. 3805.153.   ASSESSMENTS CONSIDERED TAXES  
21   Sec. 3805.154.   LIENS FOR ASSESSMENTS; SUITS TO RECOVER  
22                   ASSESSMENTS  
23   Sec. 3805.155.   PROPERTY OF ELECTRIC UTILITY EXEMPT FROM  
24                   ASSESSMENT AND IMPACT FEES  
25   Sec. 3805.156.   DEBT  
26                   [Sections 3805.157-3805.200 reserved for expansion]  
27                   SUBCHAPTER E.   DISSOLUTION

1 Sec. 3805.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

2 DEBT

3 CHAPTER 3805. UPPER KIRBY MANAGEMENT DISTRICT

4 SUBCHAPTER A. GENERAL PROVISIONS

5 Sec. 3805.001. DEFINITIONS. In this chapter:

6 (1) "Board" means the board of directors of the  
7 district.

8 (2) "District" means the Upper Kirby Management  
9 District. (Loc. Gov. Code, Secs. 376.153(1), (2).)

10 Sec. 3805.002. UPPER KIRBY MANAGEMENT DISTRICT. A special  
11 district known as the "Upper Kirby Management District" is a  
12 governmental agency and political subdivision of this state. (Loc.  
13 Gov. Code, Sec. 376.151(a).)

14 Sec. 3805.003. PURPOSE; DECLARATION OF INTENT. (a) The  
15 creation of the district is essential to accomplish the purposes of  
16 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
17 Texas Constitution, and other public purposes stated in this  
18 chapter. By creating the district and in authorizing Harris  
19 County, the City of Houston, and other political subdivisions to  
20 contract with the district, the legislature has established a  
21 program to accomplish the public purposes set out in Section 52-a,  
22 Article III, Texas Constitution.

23 (b) The creation of the district is necessary to promote,  
24 develop, encourage, and maintain employment, commerce,  
25 transportation, housing, tourism, recreation, the arts,  
26 entertainment, economic development, safety, and the public  
27 welfare in the area traversed by Kirby Drive in the city of Houston.

(c) This chapter and the creation of the district may not be interpreted to relieve Harris County or the City of Houston from providing the level of services provided as of September 1, 1997, to the area in the district or to release the county or the city from the obligations of each entity to provide services to that area. The district is created to supplement and not to supplant the county or city services provided in the area in the district. (Loc. Gov. Code, Secs. 376.151(c), 376.152.)

Sec. 3805.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) Each improvement project or service authorized by this chapter is essential to carry out a public purpose.

(d) The creation of the district is in the public interest and is essential to:

(1) further the public purposes of developing and diversifying the economy of the state;

(2) eliminate unemployment and underemployment; and

(3) develop or expand transportation and commerce.

(e) The district will:

(1) promote the health, safety, and general welfare of residents, employers, employees, visitors, and consumers in the

1 district, and of the public;

2 (2) provide needed funding for the Kirby Drive  
3 vicinity of the city of Houston to preserve, maintain, and enhance  
4 the economic health and vitality of the area as a community and  
5 business center;

6 (3) promote the health, safety, welfare, and enjoyment  
7 of the public by providing public art and pedestrian ways and by  
8 landscaping and developing certain areas in the district, which are  
9 necessary for the restoration, preservation, and enhancement of  
10 scenic and aesthetic beauty;

11 (4) promote and benefit commercial development and  
12 commercial areas in the Kirby Drive vicinity of the city of Houston;  
13 and

14 (5) promote and develop public transportation and  
15 pedestrian facilities and systems using new and alternative means  
16 that are attractive, safe, and convenient, including securing  
17 expanded and improved transportation and pedestrian facilities and  
18 systems, to:

19 (A) address the problem of traffic congestion in  
20 the district, the need to control traffic and improve pedestrian  
21 safety, and the limited availability of money; and

22 (B) benefit the land and other property in the  
23 district and the residents, employers, employees, visitors, and  
24 consumers in the district and the public.

25 (f) Pedestrian ways along or across a street, whether at  
26 grade or above or below the surface, and street lighting, street  
27 landscaping, and street art objects are parts of and necessary

1 components of a street and are considered to be a street or road  
2 improvement.

3 (g) The district will not act as the agent or  
4 instrumentality of any private interest even though the district  
5 will benefit many private interests as well as the public. (Loc.  
6 Gov. Code, Sec. 376.156.)

7 Sec. 3805.005. DISTRICT TERRITORY. (a) The district is  
8 composed of the territory described by Section 1, Chapter 1202,  
9 Acts of the 77th Legislature, Regular Session, 2001, amending  
10 former Section 376.154, Local Government Code, as that territory  
11 may have been modified under:

12 (1) Section 3805.105 or its predecessor statutes,  
13 former Section 376.124(b), Local Government Code, as added by  
14 Chapter 275, Acts of the 75th Legislature, Regular Session, 1997,  
15 and former Section 376.154(b), Local Government Code;

16 (2) Subchapter J, Chapter 49, Water Code; or

17 (3) other law.

18 (b) The boundaries and field notes of the district contained  
19 in Section 1, Chapter 1202, Acts of the 77th Legislature, Regular  
20 Session, 2001, amending former Section 376.154, Local Government  
21 Code, form a closure. A mistake in the field notes or in copying the  
22 field notes in the legislative process does not in any way affect:

23 (1) the district's organization, existence, and  
24 validity;

25 (2) the district's right to issue any type of bond,  
26 including a refunding bond, for a purpose for which the district is  
27 created or to pay the principal of and interest on the bond;

1           (3) the district's right to impose and collect an  
2 assessment or tax; or

3           (4) the legality or operation of the district or the  
4 board.

5           (c) A description of the district's boundaries shall be  
6 filed with the Texas Commission on Environmental Quality. The  
7 commission by order may correct a mistake in the description of the  
8 district's boundaries. (Loc. Gov. Code, Secs. 376.154(c), 376.155;  
9 New.)

10          Sec. 3805.006. TORT LIABILITY. The district is a  
11 governmental unit under Chapter 101, Civil Practice and Remedies  
12 Code, and the operations of the district are essential government  
13 functions and are not proprietary functions for any purpose,  
14 including the application of Chapter 101, Civil Practice and  
15 Remedies Code. (Loc. Gov. Code, Sec. 376.162.)

16          Sec. 3805.007. ELIGIBILITY FOR REINVESTMENT ZONES. All or  
17 any part of the area of the district is eligible to be included in a  
18 tax increment reinvestment zone created by the City of Houston  
19 under Chapter 311, Tax Code. (Loc. Gov. Code, Sec. 376.169.)

20          Sec. 3805.008. RELATION TO OTHER LAW. This chapter  
21 prevails over any provision of general law, including a law to which  
22 this chapter refers, that is in conflict with or is inconsistent  
23 with this chapter. (Loc. Gov. Code, Sec. 376.161 (part).)

24          Sec. 3805.009. LIBERAL CONSTRUCTION OF CHAPTER. This  
25 chapter shall be liberally construed in conformity with the  
26 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
27 376.157.)

1 [Sections 3805.010-3805.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 3805.051. BOARD OF DIRECTORS; TERMS. (a) The  
4 district is governed by a board of five directors who serve  
5 staggered terms of four years.

6 (b) The board by resolution may increase or decrease the  
7 number of directors on the board, but only if a majority of the  
8 board finds that it is in the best interest of the district to do so.  
9 The board may not:

10 (1) increase the number of directors to more than  
11 nine; or

12 (2) decrease the number of directors to fewer than  
13 five.

14 (c) Sections 49.053, 49.054, 49.056, 49.057, 49.058, and  
15 49.060, Water Code, apply to the board.

16 (d) Subchapter D, Chapter 375, Local Government Code,  
17 applies to the board to the extent that subchapter does not conflict  
18 with this chapter. (Loc.Gov. Code, Sec. 376.158.)

19 Sec. 3805.052. APPOINTMENT OF DIRECTORS ON INCREASE IN  
20 BOARD SIZE. If the board increases the number of directors under  
21 Section 3805.051, the board shall appoint qualified persons to fill  
22 the new director positions and shall provide for staggering the  
23 terms of the directors serving in the new positions. On expiration  
24 of the term of a director appointed under this section, a succeeding  
25 director shall be appointed and qualified as provided by Subchapter  
26 D, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec.  
27 376.159(b).)

1 [Sections 3805.053-3805.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 3805.101. DISTRICT POWERS. The district has:

4 (1) all powers necessary to accomplish the purposes  
5 for which the district was created;

6 (2) the rights, powers, privileges, authority, and  
7 functions of a district created under Chapter 375, Local Government  
8 Code;

9 (3) the powers, duties, and contracting authority  
10 specified by Subchapters H and I, Chapter 49, Water Code;

11 (4) the powers given to a corporation under Section  
12 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
13 Texas Civil Statutes), including the power to own, operate,  
14 acquire, construct, lease, improve, and maintain the projects  
15 described by that section; and

16 (5) the powers of a housing finance corporation  
17 created under Chapter 394, Local Government Code. (Loc. Gov. Code,  
18 Sec. 376.160 (part).)

19 Sec. 3805.102. NONPROFIT CORPORATION. (a) The board by  
20 resolution may authorize the creation of a nonprofit corporation to  
21 assist and act for the district in implementing a project or  
22 providing a service authorized by this chapter.

23 (b) The nonprofit corporation:

24 (1) has each power of and is considered for purposes of  
25 this chapter to be a local government corporation created under  
26 Chapter 431, Transportation Code; and

27 (2) may implement any project and provide any service



1 authorized by this chapter.

2 (c) The board shall appoint the board of directors of the  
3 nonprofit corporation. The board of directors of the nonprofit  
4 corporation shall serve in the same manner as, for the same term as,  
5 and on the same conditions as the board of directors of a local  
6 government corporation created under Chapter 431, Transportation  
7 Code. (Loc. Gov. Code, Sec. 376.163.)

8 Sec. 3805.103. ELECTIONS. (a) District elections must be  
9 held in the manner provided by Subchapter L, Chapter 375, Local  
10 Government Code.

11 (b) The board may submit multiple purposes in a single  
12 proposition at an election. (Loc. Gov. Code, Sec. 376.166.)

13 Sec. 3805.104. CONTRACT FOR LAW ENFORCEMENT AND SECURITY  
14 SERVICES. The district may contract with:

15 (1) Harris County or the City of Houston for the county  
16 or city to provide law enforcement and security services for a fee;  
17 and

18 (2) a private entity for the private entity to provide  
19 supplemental security services. (Loc. Gov. Code, Sec. 376.160  
20 (part).)

21 Sec. 3805.105. ANNEXATION OR EXCLUSION OF TERRITORY. The  
22 district may annex or exclude land from the district in the manner  
23 provided by Subchapter C, Chapter 375, Local Government Code.  
24 (Loc. Gov. Code, Sec. 376.154(b).)

25 [Sections 3805.106-3805.150 reserved for expansion]

26 SUBCHAPTER D. FINANCIAL PROVISIONS

27 Sec. 3805.151. AUTHORITY TO IMPOSE ASSESSMENTS, AD VALOREM

1 TAXES, AND IMPACT FEES. The district may impose, assess, charge, or  
2 collect an assessment, an ad valorem tax, an impact fee, or another  
3 fee in accordance with Chapter 49, Water Code, for a purpose  
4 specified by Chapter 375, Local Government Code, or as needed to  
5 exercise a power or function or to accomplish a purpose or duty for  
6 which the district was created. (Loc. Gov. Code, Sec. 376.160  
7 (part).)

8 Sec. 3805.152. MAINTENANCE TAX. (a) If authorized at an  
9 election held in accordance with Section 3805.103, the district may  
10 impose an annual ad valorem tax on taxable property in the district  
11 to maintain, restore, replace, or operate the district and  
12 improvements that the district constructs or acquires or the  
13 district's facilities, works, or services.

14 (b) The board shall determine the tax rate. (Loc. Gov.  
15 Code, Sec. 376.167.)

16 Sec. 3805.153. ASSESSMENTS CONSIDERED TAXES. For purposes  
17 of a title insurance policy issued under Chapter 9, Insurance Code,  
18 an assessment is a tax. (Loc. Gov. Code, Sec. 376.165(f).)

19 Sec. 3805.154. LIENS FOR ASSESSMENTS; SUITS TO RECOVER  
20 ASSESSMENTS. (a) An assessment imposed on property under this  
21 chapter is a personal obligation of the person who owns the property  
22 on January 1 of the year for which the assessment is imposed. If the  
23 person transfers title to the property, the person is not relieved  
24 of the obligation.

25 (b) On January 1 of the year for which an assessment is  
26 imposed on a property, a lien attaches to the property to secure the  
27 payment of the assessment and any interest accrued on the

1 assessment. The lien has the same priority as a lien for district  
2 taxes.

3 (c) Not later than the fourth anniversary of the date on  
4 which a delinquent assessment became due, the district may file  
5 suit to foreclose the lien or to enforce the obligation for the  
6 assessment, or both, and for any interest accrued.

7 (d) In addition to recovering the amount of the assessment  
8 and any accrued interest, the district may recover reasonable  
9 costs, including attorney's fees, that the district incurs in  
10 foreclosing the lien or enforcing the obligation. The costs may not  
11 exceed an amount equal to 20 percent of the assessment and interest.

12 (e) If the district does not file a suit in connection with a  
13 delinquent assessment on or before the last date on which the  
14 district may file suit under Subsection (c), the assessment and any  
15 interest accrued is considered paid. (Loc. Gov. Code, Secs.  
16 376.165(a), (b), (c), (d), (e).)

17 Sec. 3805.155. PROPERTY OF ELECTRIC UTILITY EXEMPT FROM  
18 ASSESSMENT AND IMPACT FEES. The district may not impose an impact  
19 fee or assessment on the property, equipment, or facilities of an  
20 electric utility as defined by Section 31.002, Utilities Code.  
21 (Loc. Gov. Code, Sec. 376.170.)

22 Sec. 3805.156. DEBT. The district may issue bonds, notes,  
23 or other debt obligations in accordance with Subchapters I and J,  
24 Chapter 375, Local Government Code, for a purpose specified by that  
25 chapter or as required to exercise a power or function or to  
26 accomplish a purpose or duty for which the district was created.  
27 (Loc. Gov. Code, Sec. 376.164.)

1 [Sections 3805.157-3805.200 reserved for expansion]

2 SUBCHAPTER E. DISSOLUTION

3 Sec. 3805.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
4 DEBT. (a) The district may be dissolved as provided by Subchapter  
5 M, Chapter 375, Local Government Code.

6 (b) Regardless of Section 375.264, Local Government Code,  
7 if the district has debt, the district may be dissolved as provided  
8 by Subchapter M, Chapter 375, Local Government Code. If the  
9 district has debt when it is dissolved, the district shall remain in  
10 existence solely for the purpose of discharging its bonds or other  
11 obligations according to their terms. (Loc. Gov. Code, Sec.  
12 376.168.)

13 CHAPTER 3806. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 3806.001. DEFINITIONS

16 Sec. 3806.002. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2

17 Sec. 3806.003. PURPOSE; DECLARATION OF INTENT

18 Sec. 3806.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

19 Sec. 3806.005. DISTRICT TERRITORY

20 Sec. 3806.006. APPLICABILITY OF OTHER LAW

21 Sec. 3806.007. LIBERAL CONSTRUCTION OF CHAPTER

22 [Sections 3806.008-3806.050 reserved for expansion]

23 SUBCHAPTER B. BOARD OF DIRECTORS

24 Sec. 3806.051. BOARD OF DIRECTORS; TERMS

25 Sec. 3806.052. APPOINTMENT OF DIRECTORS

26 [Sections 3806.053-3806.100 reserved for expansion]

27 SUBCHAPTER C. POWERS AND DUTIES

1    Sec. 3806.101.    DISTRICT POWERS  
2    Sec. 3806.102.    RELATION TO OTHER LAW  
3    Sec. 3806.103.    NONPROFIT CORPORATION  
4    Sec. 3806.104.    CONTRACTS; GRANTS  
5                    [Sections 3806.105-3806.150 reserved for expansion]  
6                    SUBCHAPTER D. FINANCIAL PROVISIONS  
7    Sec. 3806.151.    PETITION REQUIRED FOR FINANCING SERVICES  
8                    AND IMPROVEMENTS  
9    Sec. 3806.152.    DISBURSEMENTS AND TRANSFERS OF MONEY  
10   Sec. 3806.153.    BOARD VOTE REQUIRED TO IMPOSE TAXES,  
11                    ASSESSMENTS, OR IMPACT FEES  
12   Sec. 3806.154.    AUTHORITY TO IMPOSE AD VALOREM TAXES,  
13                    ASSESSMENTS, AND IMPACT FEES  
14   Sec. 3806.155.    MAINTENANCE TAX  
15   Sec. 3806.156.    ASSESSMENTS; LIENS FOR ASSESSMENTS  
16   Sec. 3806.157.    PROPERTY EXEMPT FROM TAXES, IMPACT FEES,  
17                    AND ASSESSMENTS  
18   Sec. 3806.158.    OBLIGATIONS; APPROVAL BY CITY OF HOUSTON  
19   Sec. 3806.159.    ELECTIONS REGARDING TAXES OR BONDS  
20                    [Sections 3806.160-3806.200 reserved for expansion]  
21                    SUBCHAPTER E. DISSOLUTION  
22   Sec. 3806.201.    DISSOLUTION OF DISTRICT WITH OUTSTANDING  
23                    DEBT  
24                    CHAPTER 3806. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2  
25                    SUBCHAPTER A. GENERAL PROVISIONS  
26                    Sec. 3806.001.    DEFINITIONS. In this chapter:  
27                    (1) "Board" means the board of directors of the

1 district.

2 (2) "District" means the Harris County Improvement  
3 District No. 2. (Loc. Gov. Code, Secs. 376.213(1), (3).)

4 Sec. 3806.002. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2. A  
5 special district known as the "Harris County Improvement District  
6 No. 2" is a governmental agency and political subdivision of this  
7 state. (Loc. Gov. Code, Sec. 376.211(a).)

8 Sec. 3806.003. PURPOSE; DECLARATION OF INTENT. (a) The  
9 creation of the district is essential to accomplish the purposes of  
10 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
11 Texas Constitution, and other public purposes stated in this  
12 chapter. By creating the district and in authorizing Harris  
13 County, the City of Houston, and other political subdivisions to  
14 contract with the district, the legislature has established a  
15 program to accomplish the public purposes set out in Section 52-a,  
16 Article III, Texas Constitution.

17 (b) The creation of the district is necessary to promote,  
18 develop, encourage, and maintain employment, commerce,  
19 transportation, housing, tourism, recreation, the arts,  
20 entertainment, economic development, safety, and the public  
21 welfare in the Richmond Avenue area of Houston.

22 (c) This chapter and the creation of the district may not be  
23 interpreted to relieve Harris County or the City of Houston from  
24 providing the level of services provided as of September 1, 1997, to  
25 the area in the district or to release the county or the city from  
26 the obligations of each entity to provide services to that area.  
27 The district is created to supplement and not to supplant the county

1 or city services provided in the area in the district. (Loc. Gov.  
2 Code, Secs. 376.211(c), 376.212.)

3 Sec. 3806.004. FINDINGS OF BENEFIT AND PUBLIC  
4 PURPOSE. (a) The district is created to serve a public use and  
5 benefit.

6 (b) All land and other property included in the district  
7 will benefit from the improvements and services to be provided by  
8 the district under powers conferred by Sections 52 and 52-a,  
9 Article III, and Section 59, Article XVI, Texas Constitution, and  
10 other powers granted under this chapter.

11 (c) The creation of the district is in the public interest  
12 and is essential to:

13 (1) further the public purposes of developing and  
14 diversifying the economy of the state;

15 (2) eliminate unemployment and underemployment; and

16 (3) develop or expand transportation and commerce.

17 (d) The district will:

18 (1) promote the health, safety, and general welfare of  
19 residents, employers, employees, visitors, and consumers in the  
20 district, and of the public;

21 (2) provide needed funding to preserve, maintain, and  
22 enhance the economic health and vitality of the area in the district  
23 as a community and business center; and

24 (3) promote the health, safety, welfare, and enjoyment  
25 of the public by providing pedestrian ways and by landscaping and  
26 developing certain areas in the district, which are necessary for  
27 the restoration, preservation, and enhancement of scenic and

1 aesthetic beauty.

2 (e) Pedestrian ways along or across a street, whether at  
3 grade or above or below the surface, and street lighting, street  
4 landscaping, and street art objects are parts of and necessary  
5 components of a street and are considered to be a street or road  
6 improvement.

7 (f) The district will not act as the agent or  
8 instrumentality of any private interest even though the district  
9 will benefit many private interests as well as the public. (Loc.  
10 Gov. Code, Sec. 376.216.)

11 Sec. 3806.005. DISTRICT TERRITORY. (a) The district is  
12 composed of the territory described by Section 1, Chapter 679, Acts  
13 of the 75th Legislature, Regular Session, 1997, enacting former  
14 Section 376.214, Local Government Code, as that territory may have  
15 been modified under:

16 (1) Subchapter J, Chapter 49, Water Code; or

17 (2) other law.

18 (b) The boundaries and field notes of the district contained  
19 in Section 1, Chapter 679, Acts of the 75th Legislature, Regular  
20 Session, 1997, enacting former Section 376.214, Local Government  
21 Code, form a closure. A mistake in the field notes or in copying the  
22 field notes in the legislative process does not in any way affect:

23 (1) the district's organization, existence, and  
24 validity;

25 (2) the district's right to issue any type of bond,  
26 including a refunding bond, for a purpose for which the district is  
27 created or to pay the principal of and interest on the bond;



1           (3) the district's right to impose and collect an  
2 assessment or tax; or

3           (4) the legality or operation of the district or the  
4 board. (Loc. Gov. Code, Sec. 376.215; New.)

5           Sec. 3806.006. APPLICABILITY OF OTHER LAW. Except as  
6 otherwise provided by this chapter, Chapter 375, Local Government  
7 Code, applies to the district. (Loc. Gov. Code, Sec. 376.217.)

8           Sec. 3806.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
9 chapter shall be liberally construed in conformity with the  
10 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
11 376.218.)

12           [Sections 3806.008-3806.050 reserved for expansion]

13                       SUBCHAPTER B. BOARD OF DIRECTORS

14           Sec. 3806.051. BOARD OF DIRECTORS; TERMS. (a) The  
15 district is governed by a board of nine directors who serve  
16 staggered terms of four years, with four or five directors' terms  
17 expiring June 1 of each odd-numbered year.

18           (b) The board by resolution may increase or decrease the  
19 number of directors on the board, but only if it is in the best  
20 interest of the district to do so. The board may not:

21                       (1) increase the number of directors to more than 30;  
22 or

23                       (2) decrease the number of directors to fewer than  
24 nine. (Loc. Gov. Code, Sec. 376.219(a).)

25           Sec. 3806.052. APPOINTMENT OF DIRECTORS. The mayor and  
26 members of the governing body of the City of Houston shall appoint  
27 directors from persons recommended by the board who meet the

1 requirements of Subchapter D, Chapter 375, Local Government Code.  
2 (Loc. Gov. Code, Sec. 376.220 (part).)

3 [Sections 3806.053-3806.100 reserved for expansion]

4 SUBCHAPTER C. POWERS AND DUTIES

5 Sec. 3806.101. DISTRICT POWERS. The district has:

6 (1) all powers necessary to accomplish the purposes  
7 for which the district was created;

8 (2) the rights, powers, privileges, authority, and  
9 functions of a district created under Chapter 375, Local Government  
10 Code; and

11 (3) the powers given to a corporation under Section  
12 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
13 Texas Civil Statutes), and the power to own, operate, acquire,  
14 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
15 Sec. 376.221 (part).)

16 Sec. 3806.102. RELATION TO OTHER LAW. This chapter  
17 prevails over any law to which Section 3806.101 refers that  
18 conflicts with or is inconsistent with this chapter. (Loc. Gov.  
19 Code, Sec. 376.224 (part).)

20 Sec. 3806.103. NONPROFIT CORPORATION. (a) The board by  
21 resolution may authorize the creation of a nonprofit corporation to  
22 assist and act for the district in implementing a project or  
23 providing a service authorized by this chapter.

24 (b) The nonprofit corporation:

25 (1) has each power of and is considered for purposes of  
26 this chapter to be a local government corporation created under  
27 Chapter 431, Transportation Code; and

1           (2) may implement any project and provide any service  
2 authorized by this chapter.

3           (c) The board shall appoint the board of directors of the  
4 nonprofit corporation. The board of directors of the nonprofit  
5 corporation shall serve in the same manner as, for the same term as,  
6 and on the conditions of the board of directors of a local  
7 government corporation created under Chapter 431, Transportation  
8 Code. (Loc. Gov. Code, Sec. 376.226.)

9           Sec. 3806.104. CONTRACTS; GRANTS. (a) To protect the  
10 public interest, the district may contract with Harris County or  
11 the City of Houston for the county or the city to provide law  
12 enforcement services in the district for a fee.

13           (b) Harris County, the City of Houston, or another political  
14 subdivision of this state, without further authorization, may  
15 contract with the district to implement a project of the district or  
16 assist the district in providing a service authorized under this  
17 chapter. A contract under this subsection may:

18                 (1) be for a period on which the parties agree;

19                 (2) include terms on which the parties agree;

20                 (3) be payable from taxes or any other source of  
21 revenue that may be available for that project or service; and

22                 (4) provide terms under which taxes or other revenue  
23 collected at a district project or from a person using or purchasing  
24 a commodity or service at a district project may be paid or rebated  
25 to the district.

26           (c) The district may enter into a contract, lease, or other  
27 agreement with or make or accept a grant or loan to or from any

1 person, including:

- 2 (1) the United States;
- 3 (2) this state or a state agency;
- 4 (3) any political subdivision of this state; and
- 5 (4) a public or private corporation, including a
- 6 nonprofit corporation created under this subchapter.

7 (d) The district may perform all acts necessary for the full  
8 exercise of the powers vested in the district on terms and for the  
9 period the board determines advisable. (Loc. Gov. Code, Sec.  
10 376.235.)

11 [Sections 3806.105-3806.150 reserved for expansion]

#### 12 SUBCHAPTER D. FINANCIAL PROVISIONS

13 Sec. 3806.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
14 IMPROVEMENTS. (a) The board may not finance a service or an  
15 improvement project under this chapter unless a written petition  
16 requesting that service or improvement is filed with the board.

17 (b) The petition must be signed by:

18 (1) the owners of a majority of the assessed value of  
19 real property in the district according to the most recent  
20 certified tax appraisal roll for Harris County; or

21 (2) at least 50 owners of land in the district, if more  
22 than 50 persons own property in the district according to the most  
23 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
24 Code, Sec. 376.225.)

25 Sec. 3806.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
26 board by resolution shall establish the number of directors'  
27 signatures and the procedure required for a disbursement or

1 transfer of the district's money. (Loc. Gov. Code, Sec. 376.227.)

2 Sec. 3806.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
3 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
4 or impact fee requires a vote of a majority of the directors  
5 serving. (Loc. Gov. Code, Sec. 376.219(b) (part).)

6 Sec. 3806.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
7 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
8 tax, assessment, or impact fee as provided by Chapter 375, Local  
9 Government Code, to provide an improvement or service for a project  
10 or activity the district may acquire, construct, improve, or  
11 provide under this chapter. (Loc. Gov. Code, Sec. 376.221 (part).)

12 Sec. 3806.155. MAINTENANCE TAX. (a) If authorized at an  
13 election held in accordance with Section 3806.159, the district may  
14 impose an annual ad valorem tax on taxable property in the district  
15 to:

16 (1) maintain and operate the district and the  
17 improvements constructed or acquired by the district; or

18 (2) provide a service.

19 (b) The board shall determine the tax rate. (Loc. Gov.  
20 Code, Sec. 376.233.)

21 Sec. 3806.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
22 The board by resolution may impose and collect an assessment for any  
23 purpose authorized by this chapter.

24 (b) An assessment, a reassessment, or an assessment  
25 resulting from an addition to or correction of the assessment roll  
26 by the district, penalties and interest on an assessment or  
27 reassessment, an expense of collection, and reasonable attorney's

1 fees incurred by the district:

2 (1) are a first and prior lien against the property  
3 assessed;

4 (2) are superior to any other lien or claim other than  
5 a lien or claim for county, school district, or municipal ad valorem  
6 taxes; and

7 (3) are the personal liability of and a charge against  
8 the owners of the property even if the owners are not named in the  
9 assessment proceeding.

10 (c) The lien is effective from the date of the board's  
11 resolution imposing the assessment until the date the assessment is  
12 paid. The board may enforce the lien in the same manner that the  
13 board may enforce an ad valorem tax lien against real property.

14 (d) The board may correct, add to, or delete assessments  
15 from its assessment rolls after notice and hearing as provided by  
16 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
17 Secs. 376.221 (part), 376.229.)

18 Sec. 3806.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
19 ASSESSMENTS. (a) The district may not impose a tax, impact fee,  
20 or assessment on a residential property, multiunit residential  
21 property, or condominium.

22 (b) The district may not impose an impact fee or assessment  
23 on the property, equipment, or facilities of an electric utility as  
24 defined by Section 31.002, Utilities Code. (Loc. Gov. Code, Sec.  
25 376.230.)

26 Sec. 3806.158. OBLIGATIONS; APPROVAL BY CITY OF  
27 HOUSTON. (a) The district may issue bonds or other obligations

1 payable in whole or in part from ad valorem taxes, assessments,  
2 impact fees, revenue, grants, or other money of the district, or any  
3 combination of those sources of money, to pay for any authorized  
4 purpose of the district.

5 (b) In exercising the district's borrowing power, the  
6 district may issue a bond or other obligation in the form of a bond,  
7 note, certificate of participation or other instrument evidencing a  
8 proportionate interest in payments to be made by the district, or  
9 other type of obligation.

10 (c) Except as provided by Subsection (d), the district must  
11 obtain the approval of the City of Houston:

12 (1) for the issuance of a bond for each improvement  
13 project;

14 (2) of the plans and specifications of the improvement  
15 project to be financed by the bond; and

16 (3) of the plans and specifications of a district  
17 improvement project related to the use of:

18 (A) land owned by a municipality;

19 (B) an easement granted by a municipality; or

20 (C) a right-of-way of a street, road, or highway.

21 (d) If the district obtains the approval of the City of  
22 Houston of a capital improvements budget for a specified period not  
23 to exceed five years, the district may finance the capital  
24 improvements and issue bonds specified in the budget without  
25 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
26 376.228(a), (b) (part), (c), (d).)

27 Sec. 3806.159. ELECTIONS REGARDING TAXES OR

1 BONDS. (a) In addition to the elections required under  
2 Subchapter L, Chapter 375, Local Government Code, the district must  
3 hold an election in the manner provided by that subchapter to obtain  
4 voter approval before the district may:

5 (1) impose a maintenance tax; or

6 (2) issue a bond payable from ad valorem taxes or  
7 assessments.

8 (b) The board may submit multiple purposes in a single  
9 proposition at an election. (Loc. Gov. Code, Sec. 376.231.)

10 [Sections 3806.160-3806.200 reserved for expansion]

#### 11 SUBCHAPTER E. DISSOLUTION

12 Sec. 3806.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
13 DEBT. If the district has debt when it is dissolved, the district  
14 shall remain in existence solely for the purpose of discharging its  
15 bonds or other obligations according to their terms. (Loc. Gov.  
16 Code, Sec. 376.234 (part).)

### 17 CHAPTER 3807. GREATER EAST END MANAGEMENT DISTRICT

#### 18 SUBCHAPTER A. GENERAL PROVISIONS

19 Sec. 3807.001. DEFINITIONS

20 Sec. 3807.002. GREATER EAST END MANAGEMENT DISTRICT

21 Sec. 3807.003. PURPOSE; DECLARATION OF INTENT

22 Sec. 3807.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

23 Sec. 3807.005. DISTRICT TERRITORY

24 Sec. 3807.006. APPLICABILITY OF OTHER LAW

25 Sec. 3807.007. RELATION TO OTHER LAW

26 Sec. 3807.008. LIBERAL CONSTRUCTION OF CHAPTER

27 [Sections 3807.009-3807.050 reserved for expansion]



1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Sec. 3807.051. BOARD OF DIRECTORS; TERMS

3 Sec. 3807.052. APPOINTMENT OF DIRECTORS

4 [Sections 3807.053-3807.100 reserved for expansion]

5 SUBCHAPTER C. POWERS AND DUTIES

6 Sec. 3807.101. POWERS

7 Sec. 3807.102. NONPROFIT CORPORATION

8 Sec. 3807.103. CONTRACTS; GRANTS

9 Sec. 3807.104. PLANS FOR WORKFORCE DEVELOPMENT SERVICES

10 [Sections 3807.105-3807.150 reserved for expansion]

11 SUBCHAPTER D. FINANCIAL PROVISIONS

12 Sec. 3807.151. PETITION REQUIRED FOR FINANCING SERVICE

13 OR IMPROVEMENT

14 Sec. 3807.152. DISBURSEMENTS AND TRANSFERS OF MONEY

15 Sec. 3807.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,

16 ASSESSMENTS, OR IMPACT FEES

17 Sec. 3807.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,

18 ASSESSMENTS, AND IMPACT FEES

19 Sec. 3807.155. MAINTENANCE TAX

20 Sec. 3807.156. ASSESSMENTS; LIENS FOR ASSESSMENTS

21 Sec. 3807.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES,

22 AND ASSESSMENTS

23 Sec. 3807.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

24 Sec. 3807.159. ELECTIONS REGARDING TAXES OR BONDS

25 [Sections 3807.160-3807.200 reserved for expansion]

26 SUBCHAPTER E. DISSOLUTION

27 Sec. 3807.201. DISSOLUTION OF DISTRICT WITH

1                   OUTSTANDING DEBT

2           CHAPTER 3807. GREATER EAST END MANAGEMENT DISTRICT

3                   SUBCHAPTER A. GENERAL PROVISIONS

4           Sec. 3807.001. DEFINITIONS. In this chapter:

5                   (1) "Board" means the board of directors of the  
6 district.

7                   (2) "District" means the Greater East End Management  
8 District. (Loc. Gov. Code, Secs. 376.263(1), (3).)

9           Sec. 3807.002. GREATER EAST END MANAGEMENT DISTRICT. A  
10 special district in Harris County known as the "Greater East End  
11 Management District" is a governmental agency and political  
12 subdivision of this state. (Loc. Gov. Code, Sec. 376.261(a).)

13          Sec. 3807.003. PURPOSE; DECLARATION OF INTENT. (a) The  
14 creation of the district is essential to accomplish the purposes of  
15 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
16 Texas Constitution, and other public purposes stated in this  
17 chapter. By creating the district and in authorizing Harris  
18 County, the City of Houston, and other political subdivisions to  
19 contract with the district, the legislature has established a  
20 program to accomplish the public purposes set out in Section 52-a,  
21 Article III, Texas Constitution.

22                   (b) The creation of the district is necessary to promote,  
23 develop, encourage, and maintain employment, commerce,  
24 transportation, housing, tourism, recreation, the arts,  
25 entertainment, economic development, safety, and the public  
26 welfare in the Greater East End area of the city of Houston.

27                   (c) This chapter and the creation of the district may not be

1 interpreted to relieve Harris County or the City of Houston from  
2 providing the level of services provided as of May 10, 1999, to the  
3 area in the district or to release the county or the city from the  
4 obligations of each entity to provide services to that area. The  
5 district is created to supplement and not to supplant the county or  
6 city services provided in the area in the district. (Loc. Gov.  
7 Code, Secs. 376.261(c), 376.262.)

8 Sec. 3807.004. FINDINGS OF BENEFIT AND PUBLIC  
9 PURPOSE. (a) The district is created to serve a public use and  
10 benefit.

11 (b) All land and other property included in the district  
12 will benefit from the improvements and services to be provided by  
13 the district under powers conferred by Sections 52 and 52-a,  
14 Article III, and Section 59, Article XVI, Texas Constitution, and  
15 other powers granted under this chapter.

16 (c) The creation of the district is in the public interest  
17 and is essential to:

18 (1) further the public purposes of developing and  
19 diversifying the economy of the state;

20 (2) eliminate unemployment and underemployment; and

21 (3) develop or expand transportation and commerce.

22 (d) The district will:

23 (1) promote the health, safety, and general welfare of  
24 residents, employers, employees, visitors, and consumers in the  
25 district, and of the public;

26 (2) provide needed funding for the Greater East End  
27 area of the city of Houston to preserve, maintain, and enhance the

1 economic health and vitality of the area as a community and business  
2 center;

3 (3) promote the health, safety, welfare, and enjoyment  
4 of the public by providing pedestrian ways and by landscaping and  
5 developing certain areas in the district, which are necessary for  
6 the restoration, preservation, and enhancement of scenic and  
7 aesthetic beauty; and

8 (4) eliminate unemployment and underemployment and  
9 develop or expand transportation and commerce by providing or by  
10 participating with other entities and educational institutions in  
11 establishing, equipping, financing, and operating workforce  
12 development, workforce education, and job training opportunities.

13 (e) Pedestrian ways along or across a street, whether at  
14 grade or above or below the surface, and street lighting, street  
15 landscaping, and street art objects are parts of and necessary  
16 components of a street and are considered to be a street or road  
17 improvement.

18 (f) The district will not act as the agent or  
19 instrumentality of any private interest even though the district  
20 will benefit many private interests as well as the public. (Loc.  
21 Gov. Code, Sec. 376.266.)

22 Sec. 3807.005. DISTRICT TERRITORY. (a) The district is  
23 composed of the territory described by Section 1, Chapter 47, Acts  
24 of the 76th Legislature, Regular Session, 1999, enacting former  
25 Section 376.264, Local Government Code, as that territory may have  
26 been modified under:

27 (1) Subchapter J, Chapter 49, Water Code; or

1           (2) other law.

2           (b) The boundaries and field notes of the district contained  
3 in Section 1, Chapter 47, Acts of the 76th Legislature, Regular  
4 Session, 1999, enacting former Section 376.264, Local Government  
5 Code, form a closure. A mistake in the field notes or in copying the  
6 field notes in the legislative process does not in any way affect:

7           (1) the district's organization, existence, and  
8 validity;

9           (2) the district's right to issue any type of bond,  
10 including a refunding bond, for a purpose for which the district is  
11 created or to pay the principal of and interest on the bond;

12           (3) the district's right to impose and collect an  
13 assessment or tax; or

14           (4) the legality or operation of the district or the  
15 board. (Loc. Gov. Code, Sec. 376.265; New.)

16           Sec. 3807.006. APPLICABILITY OF OTHER LAW. Except as  
17 otherwise provided by this chapter, Chapter 375, Local Government  
18 Code, applies to the district. (Loc. Gov. Code, Secs. 376.267,  
19 376.271 (part).)

20           Sec. 3807.007. RELATION TO OTHER LAW. This chapter  
21 prevails over any provision of general law, including a law to which  
22 this chapter refers, that is in conflict with or is inconsistent  
23 with this chapter. (Loc. Gov. Code, Sec. 376.274 (part).)

24           Sec. 3807.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
25 chapter shall be liberally construed in conformity with the  
26 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
27 376.268.)

1 [Sections 3807.009-3807.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 3807.051. BOARD OF DIRECTORS; TERMS. (a) The  
4 district is governed by a board of 15 directors who serve staggered  
5 terms of four years, with seven directors' terms expiring June 1 of  
6 an odd-numbered year and eight directors' terms expiring June 1 of  
7 the following odd-numbered year.

8 (b) The board by resolution may increase or decrease the  
9 number of directors on the board, but only if it is in the best  
10 interest of the district to do so. The board may not:

11 (1) increase the number of directors to more than 30;  
12 or

13 (2) decrease the number of directors to fewer than  
14 nine. (Loc. Gov. Code, Sec. 376.269(a).)

15 Sec. 3807.052. APPOINTMENT OF DIRECTORS. The mayor and  
16 members of the governing body of the City of Houston shall appoint  
17 directors from persons recommended by the board who meet the  
18 qualifications prescribed by Subchapter D, Chapter 375, Local  
19 Government Code. (Loc. Gov. Code, Sec. 376.270 (part).)

20 [Sections 3807.053-3807.100 reserved for expansion]

21 SUBCHAPTER C. POWERS AND DUTIES

22 Sec. 3807.101. POWERS. The district has:

23 (1) all powers necessary to accomplish the purposes  
24 for which the district was created; and

25 (2) the powers given to a corporation under Section  
26 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
27 Texas Civil Statutes), and the power to own, operate, acquire,

1 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
2 Sec. 376.271 (part).)

3 Sec. 3807.102. NONPROFIT CORPORATION. (a) The board by  
4 resolution may authorize the creation of a nonprofit corporation to  
5 assist and act for the district in implementing a project or  
6 providing a service authorized by this chapter.

7 (b) The nonprofit corporation:

8 (1) has each power of and is considered for purposes of  
9 this chapter to be a local government corporation created under  
10 Chapter 431, Transportation Code; and

11 (2) may implement any project and provide any service  
12 authorized by this chapter.

13 (c) The board shall appoint the board of directors of the  
14 nonprofit corporation. The board of directors of the nonprofit  
15 corporation shall serve in the same manner as, for the same term as,  
16 and on the same conditions as the board of directors of a local  
17 government corporation created under Chapter 431, Transportation  
18 Code. (Loc. Gov. Code, Sec. 376.276.)

19 Sec. 3807.103. CONTRACTS; GRANTS. (a) To protect the  
20 public interest, the district may contract with Harris County or  
21 the City of Houston for the county or the city to provide law  
22 enforcement services in the district for a fee.

23 (b) Harris County, the City of Houston, or another political  
24 subdivision of this state, without further authorization, may  
25 contract with the district to implement a project of the district or  
26 assist the district in providing a service authorized by this  
27 chapter. A contract under this subsection may:

- (1) be for a period on which the parties agree;
- (2) include terms on which the parties agree;
- (3) be payable from taxes or any other source of revenue that may be available for that project or service; or
- (4) provide terms under which taxes or other revenue collected at a district project or from a person using or purchasing a commodity or service at a district project may be paid or rebated to the district.

(c) The district may enter into a contract, lease, or other agreement with or make or accept a grant or loan to or from any person, including:

- (1) the United States;
- (2) this state or a state agency;
- (3) any political subdivision of this state; and
- (4) a public or private corporation, including a nonprofit corporation created by the board under this subchapter.

(d) The district may perform all acts necessary for the full exercise of the powers vested in the district on terms and for the period the board determines advisable. (Loc. Gov. Code, Sec. 376.286.)

Sec. 3807.104. PLANS FOR WORKFORCE DEVELOPMENT SERVICES. (a) The district shall develop and implement one or more plans for workforce development services. The services may include:

- (1) job training;
- (2) workforce education;
- (3) financing of special educational opportunities;



1           (4) student summer work programs; or  
2           (5) other projects that promote workforce  
3 development.

4           (b) To assist in implementing a plan for workforce  
5 development services, the district may:

6           (1) accept a donation, grant, or loan from any person;  
7           (2) work with a school at any level;  
8           (3) work with any person that provides workforce  
9 development money or projects; or

10           (4) participate with any other entity. (Loc. Gov.  
11 Code, Secs. 376.284(a), (c), (d).)

12           [Sections 3807.105-3807.150 reserved for expansion]

13           SUBCHAPTER D. FINANCIAL PROVISIONS

14           Sec. 3807.151. PETITION REQUIRED FOR FINANCING SERVICE OR  
15 IMPROVEMENT. (a) The board may not finance a service or an  
16 improvement project under this chapter unless a written petition  
17 requesting that service or improvement is filed with the board.

18           (b) The petition must be signed by:

19           (1) the owners of a majority of the assessed value of  
20 real property in the district according to the most recent  
21 certified tax appraisal roll for Harris County; or

22           (2) at least 50 owners of land in the district, if more  
23 than 50 persons own property in the district according to the most  
24 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
25 Code, Sec. 376.275.)

26           Sec. 3807.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
27 board by resolution shall establish the number of directors'

1 signatures and the procedure required for a disbursement or  
2 transfer of the district's money. (Loc. Gov. Code, Sec. 376.277.)

3 Sec. 3807.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
4 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
5 or impact fee requires a vote of a majority of the directors  
6 serving. (Loc. Gov. Code, Sec. 376.269(b) (part).)

7 Sec. 3807.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
8 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
9 tax, assessment, or impact fee as provided by Chapter 375, Local  
10 Government Code, to provide an improvement or a service for a  
11 project or activity the district may acquire, construct, improve,  
12 or provide under this chapter. (Loc. Gov. Code, Sec. 376.271  
13 (part).)

14 Sec. 3807.155. MAINTENANCE TAX. (a) If authorized at an  
15 election held in accordance with Section 3807.159, the district may  
16 impose an annual ad valorem tax on taxable property in the district  
17 to:

18 (1) maintain and operate the district and the  
19 improvements constructed or acquired by the district; or

20 (2) provide a service.

21 (b) The board shall determine the tax rate. (Loc. Gov.  
22 Code, Sec. 376.283.)

23 Sec. 3807.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
24 The board by resolution may impose and collect an assessment for any  
25 purpose authorized by this chapter.

26 (b) An assessment, a reassessment, or an assessment  
27 resulting from an addition to or correction of the assessment roll

1 by the district, penalties and interest on an assessment or  
2 reassessment, an expense of collection, and reasonable attorney's  
3 fees incurred by the district:

4 (1) are a first and prior lien against the property  
5 assessed;

6 (2) are superior to any other lien or claim other than  
7 a lien or claim for county, school district, or municipal ad valorem  
8 taxes; and

9 (3) are the personal liability of and a charge against  
10 the owners of the property even if the owners are not named in the  
11 assessment proceeding.

12 (c) The lien is effective from the date of the board's  
13 resolution imposing the assessment until the date the assessment is  
14 paid. The board may enforce the lien in the same manner that the  
15 board may enforce an ad valorem tax lien against real property.

16 (d) The board may correct, add to, or delete assessments  
17 from its assessment rolls after notice and hearing as provided by  
18 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
19 Secs. 376.271 (part), 376.279.)

20 Sec. 3807.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
21 ASSESSMENTS. (a) The district may not impose a tax, impact fee,  
22 or assessment on a residential property, multiunit residential  
23 property, or condominium.

24 (b) The district may not impose an impact fee or assessment  
25 on the property, equipment, or facilities of a person that provides  
26 to the public cable television, gas, light, power, telephone,  
27 sewage, or water service. (Loc. Gov. Code, Secs. 376.263(5),

1 376.280.)

2 Sec. 3807.158. OBLIGATIONS; APPROVAL BY CITY OF  
3 HOUSTON. (a) The district may issue bonds or other obligations  
4 payable in whole or in part from ad valorem taxes, assessments,  
5 impact fees, revenue, grants, or other money of the district, or any  
6 combination of those sources of money, to pay for any authorized  
7 purpose of the district.

8 (b) In exercising the district's borrowing power, the  
9 district may issue a bond or other obligation in the form of a bond,  
10 note, certificate of participation or other instrument evidencing a  
11 proportionate interest in payments to be made by the district, or  
12 other type of obligation.

13 (c) Except as provided by Subsection (d), the district must  
14 obtain the approval of the City of Houston:

15 (1) for the issuance of a bond for each improvement  
16 project;

17 (2) of the plans and specifications of the improvement  
18 project to be financed by the bond; and

19 (3) of the plans and specifications of a district  
20 improvement project related to:

21 (A) the use of land owned by the City of Houston;

22 (B) an easement granted by the City of Houston;

23 or

24 (C) a right-of-way of a street, road, or highway.

25 (d) If the district obtains the approval of the City of  
26 Houston of a capital improvements budget for a specified period not  
27 to exceed five years, the district may finance the capital

1 improvements and issue bonds specified in the budget without  
2 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
3 376.278(a), (b) (part), (c), (d).)

4           Sec. 3807.159. ELECTIONS           REGARDING           TAXES           OR  
5 BONDS. (a) In addition to the elections required under  
6 Subchapter L, Chapter 375, Local Government Code, the district must  
7 hold an election in the manner provided by that subchapter to obtain  
8 voter approval before the district may:

9                   (1) impose a maintenance tax; or

10                   (2) issue a bond payable from ad valorem taxes or  
11 assessments.

12           (b) The board may submit multiple purposes in a single  
13 proposition at an election. (Loc. Gov. Code, Sec. 376.281.)

14           [Sections 3807.160-3807.200 reserved for expansion]

#### 15                               SUBCHAPTER E. DISSOLUTION

16           Sec. 3807.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
17 DEBT. If the district has debt when it is dissolved, the district  
18 shall remain in existence solely for the purpose of discharging its  
19 bonds or obligations according to their terms. (Loc. Gov. Code,  
20 Sec. 376.285 (part).)

### 21                   CHAPTER 3808. EAST DOWNTOWN MANAGEMENT DISTRICT

#### 22                               SUBCHAPTER A. GENERAL PROVISIONS

23           Sec. 3808.001. DEFINITIONS

24           Sec. 3808.002. EAST DOWNTOWN MANAGEMENT DISTRICT

25           Sec. 3808.003. PURPOSE; DECLARATION OF INTENT

26           Sec. 3808.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

27           Sec. 3808.005. DISTRICT TERRITORY

1    Sec. 3808.006.    APPLICABILITY OF OTHER LAW  
 2    Sec. 3808.007.    RELATION TO OTHER LAW  
 3    Sec. 3808.008.    LIBERAL CONSTRUCTION OF CHAPTER  
 4                    [Sections 3808.009-3808.050 reserved for expansion]  
 5                    SUBCHAPTER B.    BOARD OF DIRECTORS  
 6    Sec. 3808.051.    BOARD OF DIRECTORS; TERMS  
 7    Sec. 3808.052.    APPOINTMENT OF DIRECTORS  
 8    Sec. 3808.053.    EX OFFICIO DIRECTORS  
 9    Sec. 3808.054.    CONFLICTS OF INTEREST  
 10                   [Sections 3808.055-3808.100 reserved for expansion]  
 11                   SUBCHAPTER C.    POWERS AND DUTIES  
 12    Sec. 3808.101.    DISTRICT POWERS  
 13    Sec. 3808.102.    NONPROFIT CORPORATION  
 14    Sec. 3808.103.    CONTRACTS; GRANTS; DONATIONS  
 15    Sec. 3808.104.    COMPETITIVE BIDDING  
 16    Sec. 3808.105.    ANNEXATION  
 17                   [Sections 3808.106-3808.150 reserved for expansion]  
 18                   SUBCHAPTER D.    FINANCIAL PROVISIONS  
 19    Sec. 3808.151.    PETITION REQUIRED FOR FINANCING SERVICES AND  
 20                    IMPROVEMENTS  
 21    Sec. 3808.152.    DISBURSEMENTS AND TRANSFERS OF MONEY  
 22    Sec. 3808.153.    BOARD VOTE REQUIRED TO IMPOSE TAXES,  
 23                    ASSESSMENTS, OR IMPACT FEES  
 24    Sec. 3808.154.    AUTHORITY TO IMPOSE AD VALOREM TAXES,  
 25                    ASSESSMENTS, OR IMPACT FEES  
 26    Sec. 3808.155.    MAINTENANCE TAX  
 27    Sec. 3808.156.    ASSESSMENTS; LIEN FOR ASSESSMENTS

1 Sec. 3808.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
2 ASSESSMENTS

3 Sec. 3808.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

4 Sec. 3808.159. ELECTIONS REGARDING TAXES OR BONDS

5 [Sections 3808.160-3808.200 reserved for expansion]

6 SUBCHAPTER E. DISSOLUTION

7 Sec. 3808.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
8 DEBT

9 CHAPTER 3808. EAST DOWNTOWN MANAGEMENT DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 3808.001. DEFINITIONS. In this chapter:

12 (1) "Board" means the board of directors of the  
13 district.

14 (2) "District" means the East Downtown Management  
15 District. (Loc. Gov. Code, Secs. 376.303(1), (3).)

16 Sec. 3808.002. EAST DOWNTOWN MANAGEMENT DISTRICT. A  
17 special district known as the "East Downtown Management District"  
18 is a governmental agency and political subdivision of this state.  
19 (Loc. Gov. Code, Sec. 376.301(a).)

20 Sec. 3803.003. PURPOSE; DECLARATION OF INTENT. (a) The  
21 creation of the district is essential to accomplish the purposes of  
22 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
23 Texas Constitution, and other public purposes stated in this  
24 chapter. By creating the district and in authorizing Harris  
25 County, the City of Houston, and other political subdivisions to  
26 contract with the district, the legislature has established a  
27 program to accomplish the public purposes set out in Section 52-a,

1 Article III, Texas Constitution.

2 (b) The creation of the district is necessary to promote,  
3 develop, encourage, and maintain employment, commerce,  
4 transportation, housing, tourism, recreation, the arts,  
5 entertainment, economic development, safety, and the public  
6 welfare in the east downtown area of the city of Houston.

7 (c) This chapter and the creation of the district may not be  
8 interpreted to relieve Harris County or the City of Houston from  
9 providing the level of services provided as of June 19, 1999, to the  
10 area in the district or to release the county or the city from the  
11 obligations of each entity to provide services to that area. The  
12 district is created to supplement and not to supplant the county or  
13 city services provided in the area in the district. (Loc. Gov.  
14 Code, Secs. 376.301(c), 376.302.)

15 Sec. 3808.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
16 The district is created to serve a public use and benefit.

17 (b) All land and other property included in the district  
18 will benefit from the improvements and services to be provided by  
19 the district under powers conferred by Sections 52 and 52-a,  
20 Article III, and Section 59, Article XVI, Texas Constitution, and  
21 other powers granted under this chapter.

22 (c) The creation of the district is in the public interest  
23 and is essential to:

24 (1) further the public purposes of developing and  
25 diversifying the economy of the state;

26 (2) eliminate unemployment and underemployment; and

27 (3) develop or expand transportation and commerce.



1 (d) The district will:

2 (1) promote the health, safety, and general welfare of  
3 residents, employers, employees, visitors, and consumers in the  
4 district, and of the public;

5 (2) provide needed funding for the east downtown area  
6 of the city of Houston to preserve, maintain, and enhance the  
7 economic health and vitality of the area as a community and business  
8 center; and

9 (3) promote the health, safety, welfare, and enjoyment  
10 of the public by providing pedestrian ways and by landscaping and  
11 developing certain areas in the district, which are necessary for  
12 the restoration, preservation, and enhancement of scenic and  
13 aesthetic beauty.

14 (e) Pedestrian ways along or across a street, whether at  
15 grade or above or below the surface, and street lighting, street  
16 landscaping, and street art objects are parts of and necessary  
17 components of a street and are considered to be a street or road  
18 improvement.

19 (f) The district will not act as the agent or  
20 instrumentality of any private interest even though the district  
21 will benefit many private interests as well as the public. (Loc.  
22 Gov. Code, Sec. 376.306.)

23 Sec. 3808.005. DISTRICT TERRITORY. (a) The district is  
24 composed of the territory described by Section 1, Chapter 1493,  
25 Acts of the 76th Legislature, Regular Session, 1999, enacting  
26 former Section 376.304, Local Government Code, as that territory  
27 may have been modified under:

1           (1) Section 3808.105 or its predecessor statute,  
2 former Section 376.327, Local Government Code;

3           (2) Subchapter J, Chapter 49, Water Code; or

4           (3) other law.

5           (b) The boundaries and field notes of the district contained  
6 in Section 1, Chapter 1493, Acts of the 76th Legislature, Regular  
7 Session, 1999, enacting former Section 376.304, Local Government  
8 Code, form a closure. A mistake in the field notes or in copying the  
9 field notes in the legislative process does not in any way affect:

10           (1) the district's organization, existence, and  
11 validity;

12           (2) the district's right to issue any type of bond,  
13 including a refunding bond, for a purpose for which the district is  
14 created or to pay the principal of and interest on the bond;

15           (3) the district's right to impose and collect an  
16 assessment or tax; or

17           (4) the legality or operation of the district or the  
18 board. (Loc. Gov. Code, Sec. 376.305; New.)

19           Sec. 3808.006. APPLICABILITY OF OTHER LAW. Except as  
20 otherwise provided by this chapter, Chapter 375, Local Government  
21 Code, applies to the district, the board, and district employees.  
22 (Loc. Gov. Code, Secs. 376.307, 376.311 (part).)

23           Sec. 3808.007. RELATION TO OTHER LAW. This chapter  
24 prevails over any provision of general law, including a law to which  
25 this chapter refers that is in conflict with or is inconsistent with  
26 this chapter. (Loc. Gov. Code, Sec. 376.314 (part).)

27           Sec. 3808.008. LIBERAL CONSTRUCTION OF CHAPTER. This

chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter. (Loc. Gov. Code, Sec. 376.308.)

[Sections 3808.009-3808.050 reserved for expansion]

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3808.051. BOARD OF DIRECTORS; TERMS. (a) The district is governed by a board of 17 directors who serve staggered terms of four years, with nine directors' terms expiring June 1 of an odd-numbered year and eight directors' terms expiring June 1 of the following odd-numbered year.

(b) The board by resolution may increase or decrease the number of directors on the board, but only if it is in the best interest of the district to do so. The board may not:

(1) increase the number of directors to more than 30;

or

(2) decrease the number of directors to fewer than nine. (Loc. Gov. Code, Sec. 376.309(a).)

Sec. 3808.052. APPOINTMENT OF DIRECTORS. The mayor and members of the governing body of the City of Houston shall appoint directors from persons recommended by the board who meet the qualifications prescribed by Subchapter D, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec. 376.310 (part).)

Sec. 3808.053. EX OFFICIO DIRECTORS. (a) The following persons serve as nonvoting ex officio directors:

(1) the directors of the parks and recreation, planning and development, public works, and civic center departments of the City of Houston;

1           (2) the chief of police of the City of Houston;  
2           (3) the general manager of the Metropolitan Transit  
3 Authority of Harris County, Texas; and  
4           (4) the president of each institution of higher  
5 learning located in the district.

6           (b) If a department described by Subsection (a) is  
7 consolidated, renamed, or changed, the board may appoint a director  
8 of the consolidated, renamed, or changed department as a nonvoting  
9 ex officio director. If a department described by Subsection (a) is  
10 abolished, the board may appoint a representative of another  
11 department of the City of Houston that performs duties comparable  
12 to those performed by the abolished department.

13           (c) The board may appoint the presiding officer of a  
14 nonprofit corporation that is actively involved in activities in  
15 the east downtown area of the city of Houston to serve as a  
16 nonvoting ex officio director. (Loc. Gov. Code, Sec. 376.3125.)

17           Sec. 3808.054. CONFLICTS OF INTEREST. (a) Except as  
18 provided by this section:

19           (1) a director may participate in all board votes and  
20 decisions; and

21           (2) Chapter 171, Local Government Code, governs  
22 conflicts of interest of directors.

23           (b) Section 171.004, Local Government Code, does not apply  
24 to the district. A director who has a substantial interest in a  
25 business or charitable entity that will receive a pecuniary benefit  
26 from a board action shall file an affidavit with the board secretary  
27 declaring the interest. Another affidavit is not required if the

1 director's interest changes.

2 (c) After the affidavit is filed, the director may  
3 participate in a discussion or vote on that action if:

4 (1) a majority of the directors have a similar  
5 interest in the same entity; or

6 (2) all other similar business or charitable entities  
7 in the district will receive a similar pecuniary benefit.

8 (d) A director who is also an officer or employee of a public  
9 entity may not participate in a discussion of or vote on a matter  
10 regarding a contract with that same public entity.

11 (e) For purposes of this section, a director has a  
12 substantial interest in a charitable entity in the same manner that  
13 a person would have a substantial interest in a business entity  
14 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
15 Sec. 376.3128.)

16 [Sections 3808.055-3808.100 reserved for expansion]

#### 17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 3808.101. DISTRICT POWERS. The district has:

19 (1) all powers necessary to accomplish the purposes  
20 for which the district was created;

21 (2) the powers given to a corporation under Section  
22 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
23 Texas Civil Statutes), and the power to own, operate, acquire,  
24 construct, lease, improve, and maintain projects; and

25 (3) the powers given to a housing finance corporation  
26 created under Chapter 394, Local Government Code, to provide  
27 housing or residential development projects in the district. (Loc.

1 Gov. Code, Sec. 376.311 (part).)

2 Sec. 3808.102. NONPROFIT CORPORATION. (a) The board by  
3 resolution may authorize the creation of a nonprofit corporation to  
4 assist and act for the district in implementing a project or  
5 providing a service authorized by this chapter.

6 (b) The nonprofit corporation:

7 (1) has each power of and is considered for purposes of  
8 this chapter to be a local government corporation created under  
9 Chapter 431, Transportation Code; and

10 (2) may implement any project and provide any service  
11 authorized by this chapter.

12 (c) The board shall appoint the board of directors of the  
13 nonprofit corporation. The board of directors of the nonprofit  
14 corporation shall serve in the same manner as, for the same term as,  
15 and on the conditions of the board of directors of a local  
16 government corporation created under Chapter 431, Transportation  
17 Code. (Loc. Gov. Code, Sec. 376.316.)

18 Sec. 3808.103. CONTRACTS; GRANTS; DONATIONS. (a) To  
19 protect the public interest, the district may contract with Harris  
20 County or the City of Houston for the county or the city to provide  
21 law enforcement services in the district for a fee.

22 (b) Harris County, the City of Houston, or another political  
23 subdivision of this state, without further authorization, may  
24 contract with the district to implement a project of the district or  
25 assist the district in providing a service authorized under this  
26 chapter. A contract under this subsection may:

27 (1) be for a period on which the parties agree;

1           (2) include terms on which the parties agree;  
2           (3) be payable from taxes or any other source of  
3 revenue that may be available for that project or service; or  
4           (4) provide terms under which taxes or other revenue  
5 collected at a district project or from a person using or purchasing  
6 a commodity or service at a district project may be paid or rebated  
7 to the district.

8           (c) The district may enter into a contract, lease, or other  
9 agreement with or make or accept a grant or loan to or from, or  
10 accept a donation from, any person, including:

11           (1) the United States;  
12           (2) this state or a state agency;  
13           (3) any political subdivision of this state; and  
14           (4) a public or private corporation, including a  
15 nonprofit corporation created by the board under this subchapter.

16           (d) The district may perform all acts necessary for the full  
17 exercise of the powers vested in the district on terms and for the  
18 period the board determines advisable.

19           (e) The implementation of a project is a governmental  
20 function or service for purposes of Chapter 791, Government Code.  
21 (Loc. Gov. Code, Secs. 376.325, 376.328.)

22           Sec. 3808.104. COMPETITIVE BIDDING. Section 375.221, Local  
23 Government Code, does not apply to a district contract for \$25,000  
24 or less. (Loc. Gov. Code, Sec. 376.326.)

25           Sec. 3808.105. ANNEXATION. In addition to the authority to  
26 annex territory under Subchapter C, Chapter 375, Local Government  
27 Code, the district has the authority to annex territory located in a

1 reinvestment zone created by the City of Houston under Chapter 311,  
2 Tax Code, if the city's governing body consents to the annexation.  
3 (Loc. Gov. Code, Sec. 376.327.)

4 [Sections 3808.106-3808.150 reserved for expansion]

5 SUBCHAPTER D. FINANCIAL PROVISIONS

6 Sec. 3808.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
7 IMPROVEMENTS. (a) The board may not finance a service or an  
8 improvement project under this chapter unless a written petition  
9 requesting that service or improvement is filed with the board.

10 (b) The petition must be signed by:

11 (1) the owners of a majority of the assessed value of  
12 real property in the district according to the most recent  
13 certified tax appraisal roll for Harris County; or

14 (2) at least 50 owners of land in the district, if more  
15 than 50 persons own property in the district according to the most  
16 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
17 Code, Sec. 376.315.)

18 Sec. 3808.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
19 board by resolution shall establish the number of directors'  
20 signatures and the procedure required for a disbursement or  
21 transfer of the district's money. (Loc. Gov. Code, Sec. 376.317.)

22 Sec. 3808.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
23 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
24 or impact fee requires a vote of a majority of the directors  
25 serving. (Loc. Gov. Code, Sec. 376.309(b) (part).)

26 Sec. 3808.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
27 ASSESSMENTS, OR IMPACT FEES. The district may impose an ad valorem



1 tax, assessment, or impact fee as provided by Chapter 375, Local  
2 Government Code, to provide an improvement or service for a project  
3 or activity the district may acquire, construct, improve, or  
4 provide under this chapter. (Loc. Gov. Code, Sec. 376.311 (part).)

5 Sec. 3808.155. MAINTENANCE TAX. (a) If authorized at an  
6 election held in accordance with Section 3808.159, the district may  
7 impose an annual ad valorem tax on taxable property in the district  
8 to:

9 (1) maintain and operate the district and the  
10 improvements constructed or acquired by the district; or

11 (2) provide a service.

12 (b) The board shall determine the tax rate. (Loc. Gov.  
13 Code, Sec. 376.323.)

14 Sec. 3808.156. ASSESSMENTS; LIEN FOR ASSESSMENTS. (a) The  
15 board by resolution may impose and collect an assessment for any  
16 purpose authorized by this chapter.

17 (b) An assessment, a reassessment, or an assessment  
18 resulting from an addition to or correction of the assessment roll  
19 by the district, penalties and interest on an assessment or  
20 reassessment, an expense of collection, and reasonable attorney's  
21 fees incurred by the district:

22 (1) are a first and prior lien against the property  
23 assessed;

24 (2) are superior to any other lien or claim other than  
25 a lien or claim for county, school district, or municipal ad valorem  
26 taxes; and

27 (3) are the personal liability of and charge against

1 the owners of the property even if the owners are not named in the  
2 assessment proceeding.

3 (c) The lien is effective from the date of the board's  
4 resolution imposing the assessment until the date the assessment is  
5 paid. The board may enforce the lien in the same manner that the  
6 board may enforce an ad valorem tax lien against real property.

7 (d) The board may correct, add to, or delete assessments  
8 from its assessment rolls after notice and hearing as provided by  
9 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
10 Secs. 376.311 (part), 376.319.)

11 Sec. 3808.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
12 ASSESSMENTS. The district may not impose:

13 (1) a tax, impact fee, or assessment on a residential  
14 property or condominium; or

15 (2) an impact fee or assessment on the property,  
16 equipment, or facilities of a person that provides to the public  
17 cable television, gas, light, power, telephone, sewage, or water  
18 service. (Loc. Gov. Code, Secs. 376.303(5), 376.320.)

19 Sec. 3808.158. OBLIGATIONS; APPROVAL BY CITY OF  
20 HOUSTON. (a) The district may issue bonds or other obligations  
21 payable in whole or in part from ad valorem taxes, assessments,  
22 impact fees, revenue, grants, or other money of the district, or any  
23 combination of those sources of money, to pay for any authorized  
24 purpose of the district.

25 (b) In exercising the district's borrowing power, the  
26 district may issue a bond or other obligation in the form of a bond,  
27 note, certificate of participation or other instrument evidencing a

1 proportionate interest in payments to be made by the district, or  
2 other type of obligation.

3 (c) Except as provided by Subsection (d), the district must  
4 obtain the approval of the City of Houston:

5 (1) for the issuance of a bond for each improvement  
6 project;

7 (2) of the plans and specifications of the improvement  
8 project to be financed by the bond; and

9 (3) of the plans and specifications of a district  
10 improvement project related to:

11 (A) the use of land owned by the City of Houston;

12 (B) an easement granted by the City of Houston;

13 or

14 (C) a right-of-way of a street, road, or highway.

15 (d) If the district obtains the approval of the City of  
16 Houston of a capital improvements budget for a specified period not  
17 to exceed five years, the district may finance the capital  
18 improvements and issue bonds specified in the budget without  
19 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
20 376.318(a), (b) (part), (c), (d).)

21 Sec. 3808.159. ELECTIONS REGARDING TAXES OR  
22 BONDS. (a) In addition to the elections required under  
23 Subchapter L, Chapter 375, Local Government Code, the district must  
24 hold an election in the manner provided by that subchapter to obtain  
25 voter approval before the district may:

26 (1) impose a maintenance tax; or

27 (2) issue a bond payable from ad valorem taxes or

1 assessments.

2 (b) The board may submit multiple purposes in a single  
3 proposition at an election. (Loc. Gov. Code, Sec. 376.321.)

4 [Sections 3808.160-3808.200 reserved for expansion]

5 SUBCHAPTER E. DISSOLUTION

6 Sec. 3808.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
7 DEBT. If the district has debt when it is dissolved, the district  
8 shall remain in existence solely for the purpose of discharging its  
9 other obligations according to their terms. (Loc. Gov. Code, Sec.  
10 376.324 (part).)

11 CHAPTER 3809. MIDTOWN MANAGEMENT DISTRICT

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 3809.001. DEFINITIONS

14 Sec. 3809.002. MIDTOWN MANAGEMENT DISTRICT

15 Sec. 3809.003. PURPOSE; DECLARATION OF INTENT

16 Sec. 3809.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

17 Sec. 3809.005. DISTRICT TERRITORY

18 Sec. 3809.006. APPLICABILITY OF OTHER LAW

19 Sec. 3809.007. LIBERAL CONSTRUCTION OF CHAPTER

20 [Sections 3809.008-3809.050 reserved for expansion]

21 SUBCHAPTER B. BOARD OF DIRECTORS

22 Sec. 3809.051. BOARD OF DIRECTORS; TERMS

23 Sec. 3809.052. APPOINTMENT OF DIRECTORS; IMMUNITY

24 Sec. 3809.053. EX OFFICIO DIRECTORS

25 Sec. 3809.054. CONFLICTS OF INTEREST

26 [Sections 3809.055-3809.100 reserved for expansion]

27 SUBCHAPTER C. POWERS AND DUTIES

1    Sec. 3809.101.    DISTRICT POWERS  
 2    Sec. 3809.102.    NONPROFIT CORPORATION  
 3    Sec. 3809.103.    AGREEMENTS, DONATIONS, GRANTS, AND LOANS  
 4    Sec. 3809.104.    AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT  
 5    Sec. 3809.105.    COMPETITIVE BIDDING  
 6    Sec. 3809.106.    APPROVAL OF CERTAIN IMPROVEMENT PROJECTS  
 7    Sec. 3809.107.    ANNEXATION  
 8            [Sections 3809.108-3809.150 reserved for expansion]  
 9                        SUBCHAPTER D.   FINANCIAL PROVISIONS  
 10   Sec. 3809.151.    PETITION REQUIRED FOR FINANCING SERVICES  
 11                        AND IMPROVEMENTS  
 12   Sec. 3809.152.    DISBURSEMENTS AND TRANSFERS OF MONEY  
 13   Sec. 3809.153.    AUTHORITY TO IMPOSE AD VALOREM TAXES,  
 14                        ASSESSMENTS, AND IMPACT FEES  
 15   Sec. 3809.154.    MAINTENANCE TAX  
 16   Sec. 3809.155.    ASSESSMENTS; LIENS FOR ASSESSMENTS  
 17   Sec. 3809.156.    UTILITY PROPERTY EXEMPT FROM ASSESSMENTS AND  
 18                        IMPACT FEES  
 19   Sec. 3809.157.    CERTAIN RESIDENTIAL PROPERTY NOT EXEMPT  
 20   Sec. 3809.158.    ELECTIONS REGARDING TAXES OR BONDS  
 21   Sec. 3809.159.    MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
 22                        OBLIGATIONS  
 23            [Sections 3809.160-3809.200 reserved for expansion]  
 24                        SUBCHAPTER E.   DISSOLUTION  
 25   Sec. 3809.201.    DISSOLUTION OF DISTRICT WITH OUTSTANDING  
 26                        DEBT  
 27                        CHAPTER 3809.   MIDTOWN MANAGEMENT DISTRICT

1 SUBCHAPTER A. GENERAL PROVISIONS

2 Sec. 3809.001. DEFINITIONS. In this chapter:

3 (1) "Board" means the board of directors of the  
4 district.

5 (2) "District" means the Midtown Management District.  
6 (Loc. Gov. Code, Secs. 376.353(1), (3).)

7 Sec. 3809.002. MIDTOWN MANAGEMENT DISTRICT. The Midtown  
8 Management District is a special district created under Section 59,  
9 Article XVI, Texas Constitution. (Loc. Gov. Code, Sec.  
10 376.351(a).)

11 Sec. 3809.003. PURPOSE; DECLARATION OF INTENT. (a) The  
12 creation of the district is essential to accomplish the purposes of  
13 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
14 Texas Constitution, and other public purposes stated in this  
15 chapter. By creating the district and in authorizing Harris  
16 County, the City of Houston, and other political subdivisions to  
17 contract with the district, the legislature has established a  
18 program to accomplish the public purposes set out in Section 52-a,  
19 Article III, Texas Constitution.

20 (b) The creation of the district is necessary to promote,  
21 develop, encourage, and maintain employment, commerce,  
22 transportation, housing, tourism, recreation, the arts,  
23 entertainment, economic development, safety, and the public  
24 welfare in the midtown area of the city of Houston.

25 (c) This chapter and the creation of the district may not be  
26 interpreted to relieve Harris County or the City of Houston from  
27 providing the level of services provided as of August 30, 1999, to

1 the area in the district or to release the county or the city from  
2 the obligations of each entity to provide services to that area.  
3 The district is created to supplement and not to supplant the county  
4 or city services provided in the area in the district. (Loc. Gov.  
5 Code, Secs. 376.351(c), 376.352.)

6 Sec. 3809.004. FINDINGS OF BENEFIT AND PUBLIC  
7 PURPOSE. (a) The district is created to serve a public use and  
8 benefit.

9 (b) All land and other property included in the district  
10 will benefit from the improvements and services to be provided by  
11 the district under powers conferred by Sections 52 and 52-a,  
12 Article III, and Section 59, Article XVI, Texas Constitution, and  
13 other powers granted under this chapter.

14 (c) The creation of the district is in the public interest  
15 and is essential to:

16 (1) further the public purposes of developing and  
17 diversifying the economy of the state;

18 (2) eliminate unemployment and underemployment; and

19 (3) develop or expand transportation and commerce.

20 (d) The district will:

21 (1) promote the health, safety, and general welfare of  
22 residents, employers, employees, visitors, and consumers in the  
23 district, and of the public;

24 (2) provide needed funding for the midtown area of the  
25 city of Houston to preserve, maintain, and enhance the economic  
26 health and vitality of the area as a community and business center;  
27 and

1           (3) promote the health, safety, welfare, and enjoyment  
2 of the public by providing pedestrian ways and by landscaping and  
3 developing certain areas in the district, which are necessary for  
4 the restoration, preservation, and enhancement of scenic and  
5 aesthetic beauty.

6           (e) Pedestrian ways along or across a street, whether at  
7 grade or above or below the surface, and street lighting, street  
8 landscaping, and street art objects are parts of and necessary  
9 components of a street and are considered to be a street or road  
10 improvement.

11           (f) The district will not act as the agent or  
12 instrumentality of any private interest even though the district  
13 will benefit many private interests as well as the public. (Loc.  
14 Gov. Code, Sec. 376.356.)

15           Sec. 3809.005. DISTRICT TERRITORY. (a) The district is  
16 composed of the territory described by Section 1, Chapter 1017,  
17 Acts of the 76th Legislature, Regular Session, 1999, enacting  
18 former Section 376.304, Local Government Code, as that territory  
19 may have been modified under:

20           (1) Section 3809.107 or its predecessor statutes,  
21 former Section 376.316, Local Government Code, as added by Chapter  
22 1017, Acts of the 76th Legislature, Regular Session, 1999, and  
23 former Section 376.366, Local Government Code;

24           (2) Subchapter J, Chapter 49, Water Code; or

25           (3) other law.

26           (b) The boundaries and field notes of the district contained  
27 in Section 1, Chapter 1017, Acts of the 76th Legislature, Regular



1 Session, 1999, enacting former Section 376.304, Local Government  
2 Code, form a closure. A mistake in the field notes or in copying the  
3 field notes in the legislative process does not affect the  
4 district's:

5 (1) organization, existence, or validity;

6 (2) right to issue any type of bond for a purpose for  
7 which the district is created or to pay the principal of and  
8 interest on a bond;

9 (3) right to impose or collect an assessment; or

10 (4) legality or operation. (Loc. Gov. Code, Sec.  
11 376.355; New.)

12 Sec. 3809.006. APPLICABILITY OF OTHER LAW. Except as  
13 otherwise provided by this chapter, Chapter 375, Local Government  
14 Code, applies to the district, the board, and district employees.  
15 (Loc. Gov. Code, Sec. 376.357.)

16 Sec. 3809.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
17 chapter shall be liberally construed in conformity with the  
18 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
19 376.358.)

20 [Sections 3809.008-3809.050 reserved for expansion]

#### 21 SUBCHAPTER B. BOARD OF DIRECTORS

22 Sec. 3809.051. BOARD OF DIRECTORS; TERMS. (a) The  
23 district is governed by a board of 17 directors who serve staggered  
24 terms of four years with eight directors' terms expiring June 1 of  
25 an odd-numbered year and nine directors' terms expiring June 1 of  
26 the following odd-numbered year.

27 (b) A director shall receive compensation as provided by

1 Section 49.060, Water Code. (Loc. Gov. Code, Sec. 376.359.)

2 Sec. 3809.052. APPOINTMENT OF DIRECTORS; IMMUNITY. (a)  
3 The mayor and members of the governing body of the City of Houston  
4 shall appoint directors from persons recommended by the board. A  
5 person is appointed if a majority of the members and the mayor vote  
6 to appoint that person.

7 (b) A person may not be appointed to the board if the  
8 appointment of that person would result in fewer than two-thirds of  
9 the directors being residents of the city of Houston.

10 (c) District directors are public officials entitled to  
11 governmental immunity for their official actions. (Loc. Gov. Code,  
12 Sec. 376.360.)

13 Sec. 3809.053. EX OFFICIO DIRECTORS. (a) The following  
14 persons serve as nonvoting ex officio directors:

15 (1) the directors of the parks and recreation,  
16 planning and development, public works, and civic center  
17 departments of the City of Houston;

18 (2) the chief of police of the City of Houston;

19 (3) Harris County's general manager of the  
20 Metropolitan Transit Authority of Harris County, Texas; and

21 (4) the president of each institution of higher  
22 learning located in the district.

23 (b) If a department described by Subsection (a) is  
24 consolidated, renamed, or changed, the board may appoint a director  
25 of the consolidated, renamed, or changed department as a nonvoting  
26 ex officio director. If a department described by Subsection (a) is  
27 abolished, the board may appoint a representative of another

1 department of the City of Houston that performs duties comparable  
2 to those performed by the abolished department.

3 (c) The board may appoint the presiding officer of a  
4 nonprofit corporation that is actively involved in activities in  
5 the midtown area of the city of Houston to serve as a nonvoting ex  
6 officio director. (Loc. Gov. Code, Sec. 376.361.)

7 Sec. 3809.054. CONFLICTS OF INTEREST. (a) Except as  
8 provided by this section:

9 (1) a director may participate in all board votes and  
10 decisions; and

11 (2) Chapter 171, Local Government Code, governs  
12 conflicts of interest of board members.

13 (b) Section 171.004, Local Government Code, does not apply  
14 to the district. A director who has a substantial interest in a  
15 business or charitable entity that will receive a pecuniary benefit  
16 from a board action shall file an affidavit with the board secretary  
17 declaring the interest. Another affidavit is not required if the  
18 director's interest changes.

19 (c) After the affidavit is filed, the director may  
20 participate in a discussion or vote on that action if:

21 (1) a majority of the directors have a similar  
22 interest in the same entity; or

23 (2) all other similar business or charitable entities  
24 in the district will receive a similar pecuniary benefit.

25 (d) A director who is also an officer or employee of a public  
26 entity may not participate in a discussion of or vote on a matter  
27 regarding a contract with that same public entity.

1           (e) For purposes of this section, a director has a  
2 substantial interest in a charitable entity in the same manner that  
3 a person would have a substantial interest in a business entity  
4 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
5 Sec. 376.362.)

6           [Sections 3809.055-3809.100 reserved for expansion]

7                       SUBCHAPTER C. POWERS AND DUTIES

8           Sec. 3809.101. DISTRICT POWERS. The district may exercise  
9 the powers given to:

10               (1) a corporation created under Section 4B,  
11 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
12 Civil Statutes); and

13               (2) a housing finance corporation created under  
14 Chapter 394, Local Government Code, to provide housing or  
15 residential development projects in the district. (Loc. Gov. Code,  
16 Secs. 376.363(a), (b).)

17           Sec. 3809.102. NONPROFIT CORPORATION. (a) The board by  
18 resolution may authorize the creation of a nonprofit corporation to  
19 assist and act for the district in implementing a project or  
20 providing a service authorized by this chapter.

21               (b) The nonprofit corporation:

22                       (1) has each power of and is considered for purposes of  
23 this chapter to be a local government corporation created under  
24 Chapter 431, Transportation Code; and

25                       (2) may implement any project and provide any service  
26 authorized by this chapter.

27               (c) The board shall appoint the board of directors of the

1 nonprofit corporation. The board of directors of the nonprofit  
2 corporation shall serve in the same manner as, for the same term as,  
3 and on the conditions of the board of directors of a local  
4 government corporation created under Chapter 431, Transportation  
5 Code. (Loc. Gov. Code, Sec. 376.365.)

6 Sec. 3809.103. AGREEMENTS, DONATIONS, GRANTS, AND  
7 LOANS. (a) The district may enter into an agreement with or  
8 accept a donation, grant, or loan from any person.

9 (b) The implementation of a project is a governmental  
10 function or service for the purposes of Chapter 791, Government  
11 Code. (Loc. Gov. Code, Secs. 376.364(a), (b).)

12 Sec. 3809.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
13 To protect the public interest, the district may contract with  
14 Harris County or the City of Houston for the county or the city to  
15 provide law enforcement services in the district for a fee. (Loc.  
16 Gov. Code, Sec. 376.364(c).)

17 Sec. 3809.105. COMPETITIVE BIDDING. Section 375.221, Local  
18 Government Code, does not apply to a district contract for \$25,000  
19 or less. (Loc. Gov. Code, Sec. 376.375.)

20 Sec. 3809.106. APPROVAL OF CERTAIN IMPROVEMENT  
21 PROJECTS. (a) Except as provided by Subsection (b), the district  
22 must obtain the approval of the City of Houston's governing body:

23 (1) for the issuance of a bond for each improvement  
24 project;

25 (2) of the plans and specifications of an improvement  
26 project financed by the bond; and

27 (3) of the plans and specifications of any district

1 improvement project related to the use of land owned by the City of  
2 Houston, an easement granted by the City of Houston, or a  
3 right-of-way of a street, road, or highway.

4 (b) If the district obtains the approval of the City of  
5 Houston's governing body of a capital improvements budget for a  
6 period not to exceed five years, the district may finance the  
7 capital improvements and issue bonds specified in the budget  
8 without further approval of the City of Houston. (Loc. Gov. Code,  
9 Secs. 376.373(a), (b), (c).)

10 Sec. 3809.107. ANNEXATION. In addition to the authority to  
11 annex territory under Subchapter C, Chapter 375, Local Government  
12 Code, the district has the authority to annex territory located in a  
13 reinvestment zone created by the City of Houston under Chapter 311,  
14 Tax Code, if the city's governing body consents to the annexation.  
15 (Loc. Gov. Code, Sec. 376.366.)

16 [Sections 3809.108-3809.150 reserved for expansion]

17 SUBCHAPTER D. FINANCIAL PROVISIONS

18 Sec. 3809.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
19 IMPROVEMENTS. (a) The board may not finance a service or an  
20 improvement project under this chapter unless a written petition  
21 requesting that service or improvement is filed with the board.

22 (b) The petition must be signed by:

23 (1) the owners of a majority of the assessed value of  
24 real property in the district according to the most recent  
25 certified tax appraisal roll for Harris County; or

26 (2) at least 25 owners of land in the district, if more  
27 than 25 persons own property in the district according to the most

1 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
2 Code, Sec. 376.367.)

3 Sec. 3809.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
4 board by resolution shall establish the number of directors'  
5 signatures and the procedure required for a disbursement or  
6 transfer of the district's money. (Loc. Gov. Code, Sec. 376.374.)

7 Sec. 3809.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
8 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
9 tax, assessment, or impact fee as provided by Chapter 375, Local  
10 Government Code, on all property in the district, including  
11 industrial, commercial, or residential property, to finance:

12 (1) an improvement this chapter authorizes the  
13 district to construct or acquire; or

14 (2) a service this chapter authorizes the district to  
15 provide. (Loc. Gov. Code, Sec. 376.363(c).)

16 Sec. 3809.154. MAINTENANCE TAX. (a) If authorized at an  
17 election held in accordance with Section 3809.158, the district may  
18 impose an annual ad valorem tax on taxable property in the district  
19 to:

20 (1) maintain and operate the district and the  
21 improvements constructed or acquired by the district; or

22 (2) provide a service.

23 (b) The board shall determine the tax rate. (Loc. Gov.  
24 Code, Sec. 376.369.)

25 Sec. 3809.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
26 The board by resolution may impose and collect an assessment for any  
27 purpose authorized by this chapter.

1           (b) An assessment, including an assessment resulting from  
2 an addition to or correction of the assessment roll by the district,  
3 a reassessment, penalties and interest on an assessment or  
4 reassessment, an expense of collection, and reasonable attorney's  
5 fees incurred by the district:

6           (1) are a first and prior lien against the property  
7 assessed;

8           (2) are superior to any other lien or claim other than  
9 a lien or claim for county, school district, or municipal ad valorem  
10 taxes; and

11           (3) are the personal liability of and a charge against  
12 the owners of the property even if the owners are not named in the  
13 assessment proceedings.

14           (c) The lien is effective from the date of the board's  
15 resolution imposing the assessment until the date the assessment is  
16 paid. The board may enforce the lien in the same manner that the  
17 board may enforce an ad valorem tax lien against real property.  
18 (Loc. Gov. Code, Sec. 376.370.)

19           Sec. 3809.156. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS AND  
20 IMPACT FEES. The district may not impose an assessment or impact  
21 fee on the property of a person that provides to the public gas,  
22 electricity, telephone, sewage, or water service. (Loc. Gov. Code,  
23 Secs. 376.353(5), 376.372.)

24           Sec. 3809.157. CERTAIN RESIDENTIAL PROPERTY NOT EXEMPT.  
25 Section 375.161, Local Government Code, does not apply to the  
26 district. (Loc. Gov. Code, Sec. 376.371.)

27           Sec. 3809.158. ELECTIONS                   REGARDING                   TAXES                   OR



1 BONDS. (a) In addition to the elections required under  
2 Subchapter L, Chapter 375, Local Government Code, the district must  
3 hold an election in the manner provided by that subchapter to obtain  
4 voter approval before the district may:

5 (1) impose a maintenance tax; or

6 (2) issue a bond payable from ad valorem taxes or  
7 assessments.

8 (b) The board may include more than one purpose in a single  
9 proposition at an election. (Loc. Gov. Code, Sec. 376.368.)

10 Sec. 3809.159. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
11 OBLIGATIONS. Except as provided by Section 375.263, Local  
12 Government Code, a municipality is not required to pay a bond, note,  
13 or other obligation of the district. (Loc. Gov. Code, Sec.  
14 376.373(d).)

15 [Sections 3809.160-3809.200 reserved for expansion]

#### 16 SUBCHAPTER E. DISSOLUTION

17 Sec. 3809.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
18 DEBT. (a) The board may dissolve the district regardless of  
19 whether the district has debt. Section 375.264, Local Government  
20 Code, does not apply to the district.

21 (b) If the district has debt when it is dissolved, the  
22 district shall remain in existence solely for the purpose of  
23 discharging its debts. The dissolution is effective when all debts  
24 have been discharged. (Loc. Gov. Code, Sec. 376.376.)

### 25 CHAPTER 3810. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT NO. 1

#### 26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 3810.001. DEFINITIONS

1    Sec. 3810.002.    HARRIS COUNTY MUNICIPAL MANAGEMENT  
 2                                DISTRICT NO. 1  
 3    Sec. 3810.003.    PURPOSE; DECLARATION OF INTENT  
 4    Sec. 3810.004.    FINDINGS OF BENEFIT AND PUBLIC PURPOSE  
 5    Sec. 3810.005.    DISTRICT TERRITORY  
 6    Sec. 3810.006.    APPLICABILITY OF OTHER LAW  
 7    Sec. 3810.007.    LIBERAL CONSTRUCTION OF CHAPTER  
 8                [Sections 3810.008-3810.050 reserved for expansion]  
 9                                SUBCHAPTER B.    BOARD OF DIRECTORS  
 10   Sec. 3810.051.    BOARD OF DIRECTORS; TERMS  
 11   Sec. 3810.052.    APPOINTMENT OF DIRECTORS  
 12   Sec. 3810.053.    EX OFFICIO DIRECTORS  
 13   Sec. 3810.054.    CONFLICTS OF INTEREST  
 14                [Sections 3810.055-3810.100 reserved for expansion]  
 15                                SUBCHAPTER C.    POWERS AND DUTIES  
 16   Sec. 3810.101.    DISTRICT POWERS  
 17   Sec. 3810.102.    NONPROFIT CORPORATION  
 18   Sec. 3810.103.    AGREEMENTS, DONATIONS, GRANTS, AND  
 19                                LOANS  
 20   Sec. 3810.104.    AUTHORITY TO CONTRACT FOR LAW  
 21                                ENFORCEMENT  
 22   Sec. 3810.105.    COMPETITIVE BIDDING  
 23   Sec. 3810.106.    APPROVAL BY CITY OF HOUSTON  
 24   Sec. 3810.107.    ANNEXATION  
 25                [Sections 3810.108-3810.150 reserved for expansion]  
 26                                SUBCHAPTER D.    FINANCIAL PROVISIONS  
 27   Sec. 3810.151.    PETITION REQUIRED FOR FINANCING

1 SERVICES AND IMPROVEMENTS

2 Sec. 3810.152. DISBURSEMENTS AND TRANSFERS OF MONEY

3 Sec. 3810.153. MAINTENANCE TAX

4 Sec. 3810.154. ASSESSMENTS; LIENS FOR ASSESSMENTS

5 Sec. 3810.155. UTILITY PROPERTY EXEMPT FROM IMPACT

6 FEES AND ASSESSMENTS

7 Sec. 3810.156. ELECTIONS REGARDING TAXES OR BONDS

8 Sec. 3810.157. MUNICIPALITY NOT OBLIGATED TO PAY

9 DISTRICT OBLIGATIONS

10 [Sections 3810.158-3810.200 reserved for expansion]

11 SUBCHAPTER E. DISSOLUTION

12 Sec. 3810.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

13 DEBT

14 CHAPTER 3810. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT NO. 1

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 3810.001. DEFINITIONS. In this chapter:

17 (1) "Board" means the board of directors of the  
18 district.

19 (2) "District" means the Harris County Municipal  
20 Management District No. 1. (Loc. Gov. Code, Secs. 376.403(1),  
21 (3).)

22 Sec. 3810.002. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT  
23 NO. 1. The Harris County Municipal Management District No. 1 is a  
24 special district created under Section 59, Article XVI, Texas  
25 Constitution. (Loc. Gov. Code, Sec. 376.401(a).)

26 Sec. 3810.003. PURPOSE; DECLARATION OF INTENT. (a) The  
27 creation of the district is essential to accomplish the purposes of

1 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
2 Texas Constitution, and other public purposes stated in this  
3 chapter. By creating the district and in authorizing Harris  
4 County, the City of Houston, and other political subdivisions to  
5 contract with the district, the legislature has established a  
6 program to accomplish the public purposes set out in Section 52-a,  
7 Article III, Texas Constitution.

8 (b) The creation of the district is necessary to promote,  
9 develop, encourage, and maintain employment, commerce,  
10 transportation, housing, tourism, recreation, the arts,  
11 entertainment, economic development, safety, and the public  
12 welfare in the district.

13 (c) This chapter and the creation of the district may not be  
14 interpreted to relieve Harris County or the City of Houston from  
15 providing the level of services provided as of June 18, 1999, to the  
16 area in the district or to release the county or the city from the  
17 obligations of each entity to provide services to that area. The  
18 district is created to supplement and not to supplant the county or  
19 city services provided in the area in the district. (Loc. Gov.  
20 Code, Secs. 376.401(c), 376.402.)

21 Sec. 3810.004. FINDINGS OF BENEFIT AND PUBLIC  
22 PURPOSE. (a) The district is created to serve a public use and  
23 benefit.

24 (b) All land and other property included in the district  
25 will benefit from the improvements and services to be provided by  
26 the district under powers conferred by Sections 52 and 52-a,  
27 Article III, and Section 59, Article XVI, Texas Constitution, and

1 other powers granted under this chapter.

2 (c) The creation of the district is in the public interest  
3 and is essential to:

4 (1) further the public purposes of developing and  
5 diversifying the economy of the state;

6 (2) eliminate unemployment and underemployment; and

7 (3) develop or expand transportation and commerce.

8 (d) The district will:

9 (1) promote the health, safety, and general welfare of  
10 residents, employers, employees, visitors, and consumers in the  
11 district and of the public;

12 (2) provide needed funding to preserve, maintain, and  
13 enhance the economic health and vitality of the area as a community  
14 and business center; and

15 (3) promote the health, safety, welfare, and enjoyment  
16 of the public by providing pedestrian ways and by landscaping and  
17 developing certain areas in the district, which are necessary for  
18 the restoration, preservation, and enhancement of scenic and  
19 aesthetic beauty.

20 (e) Pedestrian ways along or across a street, whether at  
21 grade or above or below the surface, and street lighting, street  
22 landscaping, and street art objects are parts of and necessary  
23 components of a street and are considered to be a street or road  
24 improvement.

25 (f) The district may not act as the agent or instrumentality  
26 of any private interest even though the district will benefit many  
27 private interests as well as the public. (Loc. Gov. Code, Sec.

1 376.406.)

2           Sec. 3810.005. DISTRICT TERRITORY. (a) The district is  
3 composed of the territory described by Chapter 1324, Acts of the  
4 76th Legislature, Regular Session, 1999, enacting former Section  
5 376.304, Local Government Code, as that territory may have been  
6 modified under:

7           (1) Section 3810.107, or its predecessor statutes,  
8 former Section 376.316, Local Government Code, as added by Chapter  
9 1324, Acts of the 76th Legislature, Regular Session, 1999, and  
10 former Section 376.416, Local Government Code;

11           (2) Subchapter J, Chapter 49, Water Code; or

12           (3) other law.

13           (b) The boundaries and field notes of the district contained  
14 in Chapter 1324, Acts of the 76th Legislature, Regular Session,  
15 1999, enacting former Section 376.304, Local Government Code, form  
16 a closure. A mistake in the field notes or in copying the field  
17 notes in the legislative process does not affect the district's:

18           (1) organization, existence, or validity;

19           (2) right to issue any type of bond for a purpose for  
20 which the district is created or to pay the principal of and  
21 interest on the bond;

22           (3) right to impose or collect an assessment or tax; or

23           (4) legality or operation. (Loc. Gov. Code, Sec.  
24 376.405; New.)

25           Sec. 3810.006. APPLICABILITY OF OTHER LAW. Except as  
26 otherwise provided by this chapter, Chapter 375, Local Government  
27 Code, applies to the district. (Loc. Gov. Code, Sec. 376.407.)

1           Sec. 3810.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
2 chapter shall be liberally construed in conformity with the  
3 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
4 376.408.)

5           [Sections 3810.008-3810.050 reserved for expansion]

6                       SUBCHAPTER B. BOARD OF DIRECTORS

7           Sec. 3810.051. BOARD OF DIRECTORS; TERMS. (a) The  
8 district is governed by a board of 11 directors who serve staggered  
9 terms of four years.

10           (b) A director shall receive compensation as provided by  
11 Section 49.060, Water Code. (Loc. Gov. Code, Sec. 376.409.)

12           Sec. 3810.052. APPOINTMENT OF DIRECTORS. (a) The mayor  
13 and members of the governing body of the City of Houston shall  
14 appoint directors from persons recommended by the board. A person  
15 is appointed if a majority of the members and the mayor vote to  
16 appoint the person.

17           (b) A person may not be appointed to the board if the  
18 appointment of that person would result in fewer than two-thirds of  
19 the directors being residents of the city of Houston. (Loc. Gov.  
20 Code, Sec. 376.410.)

21           Sec. 3810.053. EX OFFICIO DIRECTORS. (a) The following  
22 persons serve as nonvoting ex officio directors:

23                       (1) the directors of the parks and recreation,  
24 planning and development, public works, and civic center  
25 departments of the City of Houston;

26                       (2) the chief of police of the City of Houston;

27                       (3) Harris County's general manager of the

1 Metropolitan Transit Authority of Harris County, Texas; and

2 (4) the president of each institution of higher  
3 learning located in the district.

4 (b) If a department described by Subsection (a) is  
5 consolidated, renamed, or changed, the board may appoint a director  
6 of the consolidated, renamed, or changed department as a nonvoting  
7 ex officio director. If a department described by Subsection (a) is  
8 abolished, the board may appoint a representative of another  
9 department of the City of Houston that performs duties comparable  
10 to those performed by the abolished department.

11 (c) The board may appoint the presiding officer of a  
12 nonprofit corporation actively involved in activities in the area  
13 of the district in the city of Houston to serve as a nonvoting ex  
14 officio director. (Loc. Gov. Code, Sec. 376.411.)

15 Sec. 3810.054. CONFLICTS OF INTEREST. (a) Except as  
16 provided by this section:

17 (1) a director may participate in all board votes and  
18 decisions; and

19 (2) Chapter 171, Local Government Code, governs  
20 conflicts of interest of directors.

21 (b) Section 171.004, Local Government Code, does not apply  
22 to the district. A director who has a substantial interest in a  
23 business or charitable entity that will receive a pecuniary benefit  
24 from a board action shall file an affidavit with the board secretary  
25 declaring the interest. Another affidavit is not required if the  
26 director's interest changes.

27 (c) After the affidavit is filed, the director may



1 participate in a discussion or vote on that action if:

2 (1) a majority of the directors have a similar  
3 interest in the same entity; or

4 (2) all other similar business or charitable entities  
5 in the district will receive a similar pecuniary benefit.

6 (d) A director who is also an officer or employee of a public  
7 entity may not participate in a discussion of or vote on a matter  
8 regarding a contract with that same public entity.

9 (e) For purposes of this section, a director has a  
10 substantial interest in a charitable entity in the same manner that  
11 a person would have a substantial interest in a business entity  
12 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
13 Sec. 376.412.)

14 [Sections 3810.055-3810.100 reserved for expansion]

#### 15 SUBCHAPTER C. POWERS AND DUTIES

16 Sec. 3810.101. DISTRICT POWERS. (a) The district may  
17 exercise the powers given to:

18 (1) a corporation created under Section 4B,  
19 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
20 Civil Statutes);

21 (2) a housing finance corporation created under  
22 Chapter 394, Local Government Code, to provide housing or  
23 residential development projects in the district; and

24 (3) an eligible political subdivision under Chapter  
25 221, Natural Resources Code.

26 (b) The district may exercise its powers in an area outside  
27 the district if the board determines that exercising that power

1 benefits the district. (Loc. Gov. Code, Sec. 376.413.)

2       Sec. 3810.102. NONPROFIT CORPORATION. (a) The board by  
3 resolution may authorize the creation of a nonprofit corporation to  
4 assist and act for the district in implementing a project or  
5 providing a service authorized by this chapter.

6       (b) The nonprofit corporation:

7           (1) has each power of and is considered for purposes of  
8 this chapter to be a local government corporation created under  
9 Chapter 431, Transportation Code; and

10          (2) may implement any project and provide any service  
11 authorized by this chapter.

12       (c) The board shall appoint the board of directors of the  
13 nonprofit corporation. The board of directors of the nonprofit  
14 corporation shall serve in the same manner as, for the same term as,  
15 and on the same conditions as the board of directors of a local  
16 government corporation created under Chapter 431, Transportation  
17 Code. (Loc. Gov. Code, Sec. 376.415.)

18       Sec. 3810.103. AGREEMENTS, DONATIONS, GRANTS, AND  
19 LOANS. (a) The district may enter into an agreement with or  
20 accept a donation, grant, or loan from any person.

21       (b) The implementation of a project is a governmental  
22 function or service for purposes of Chapter 791, Government Code.  
23 (Loc. Gov. Code, Secs. 376.414(a), (b).)

24       Sec. 3810.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
25 To protect the public interest, the district may contract with  
26 Harris County or the City of Houston for the county or city to  
27 provide law enforcement services in the district for a fee. (Loc.

1 Gov. Code, Sec. 376.414(c).)

2 Sec. 3810.105. COMPETITIVE BIDDING. Section 375.221, Local  
3 Government Code, does not apply to a district contract for \$25,000  
4 or less. (Loc. Gov. Code, Sec. 376.424.)

5 Sec. 3810.106. APPROVAL BY CITY OF HOUSTON. (a) Except as  
6 provided by Subsection (b), the district must obtain approval from  
7 the City of Houston's governing body:

8 (1) for the issuance of a bond for each improvement  
9 project;

10 (2) of the plans and specifications of the improvement  
11 project to be financed by the bond; and

12 (3) of the plans and specifications of any district  
13 improvement project related to the use of land owned by the City of  
14 Houston, an easement granted by the City of Houston, or a  
15 right-of-way of a street, road, or highway.

16 (b) If the district obtains approval from the City of  
17 Houston's governing body of a capital improvements budget for a  
18 period not to exceed five years, the district may finance the  
19 capital improvements and issue bonds specified in the budget  
20 without further approval from the City of Houston. (Loc. Gov. Code,  
21 Secs. 376.422(a), (b), (c).)

22 Sec. 3810.107. ANNEXATION. In addition to the authority to  
23 annex territory under Subchapter C, Chapter 375, Local Government  
24 Code, the district has the authority to annex territory located in a  
25 reinvestment zone created by the City of Houston under Chapter 311,  
26 Tax Code, if the city's governing body consents to the annexation.  
27 (Loc. Gov. Code, Sec. 376.416.)

1 [Sections 3810.108-3810.150 reserved for expansion]

2 SUBCHAPTER D. FINANCIAL PROVISIONS

3 Sec. 3810.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
4 IMPROVEMENTS. (a) The board may not finance a service or an  
5 improvement project under this chapter unless a written petition  
6 requesting that service or improvement is filed with the board.

7 (b) The petition must be signed by the owners of a majority  
8 of the assessed value of real property in the district according to  
9 the most recent certified tax appraisal roll for Harris County.  
10 (Loc. Gov. Code, Sec. 376.418.)

11 Sec. 3810.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
12 board by resolution shall establish the number of directors'  
13 signatures and the procedure required for a disbursement or  
14 transfer of the district's money. (Loc. Gov. Code, Sec. 376.423.)

15 Sec. 3810.153. MAINTENANCE TAX. (a) The district may  
16 impose an annual ad valorem tax on taxable property in the district  
17 to maintain and operate the district and the improvements  
18 constructed or acquired by the district or to provide a service only  
19 if:

20 (1) two-thirds of the directors vote in favor of  
21 imposing the tax; and

22 (2) the tax is authorized at an election held in  
23 accordance with Section 3810.156.

24 (b) The board shall determine the tax rate. (Loc. Gov.  
25 Code, Sec. 376.420.)

26 Sec. 3810.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
27 The board by resolution may impose and collect an assessment for any

1 purpose authorized by this chapter only if two-thirds of the  
2 directors vote in favor of imposing the assessment.

3 (b) An assessment, a reassessment, or an assessment  
4 resulting from an addition to or correction of the assessment roll  
5 by the district, penalties and interest on an assessment or  
6 reassessment, an expense of collection, and reasonable attorney's  
7 fees incurred by the district:

8 (1) are a first and prior lien against the property  
9 assessed;

10 (2) are superior to any other lien or claim other than  
11 a lien or claim for county, school district, or municipal ad valorem  
12 taxes; and

13 (3) are the personal liability of and a charge against  
14 the owners of the property even if the owners are not named in the  
15 assessment proceeding.

16 (c) The lien is effective from the date of the board's  
17 resolution imposing the assessment until the date the assessment is  
18 paid. The board may enforce the lien in the same manner that the  
19 board may enforce an ad valorem tax lien against real property.  
20 (Loc. Gov. Code, Sec. 376.417.)

21 Sec. 3810.155. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
22 ASSESSMENTS. The district may not impose an impact fee or  
23 assessment on the property of a person who provides to the public  
24 gas, electric, telephone, sewage, or water service. (Loc. Gov.  
25 Code, Secs. 376.403(5), 376.421.)

26 Sec. 3810.156. ELECTIONS REGARDING TAXES OR  
27 BONDS. (a) In addition to the elections required under

1 Subchapter L, Chapter 375, Local Government Code, the district must  
2 hold an election in the manner provided by that subchapter to obtain  
3 voter approval before the district may:

4 (1) impose a maintenance tax; or

5 (2) issue a bond payable from ad valorem taxes or  
6 assessments.

7 (b) The board may submit multiple purposes in a single  
8 proposition at an election. (Loc. Gov. Code, Sec. 376.419.)

9 Sec. 3810.157. MUNICIPALITY NOT OBLIGATED TO PAY DISTRICT  
10 OBLIGATIONS. Except as provided by Section 375.263, Local  
11 Government Code, a municipality is not obligated to pay a bond,  
12 note, or other obligation of the district. (Loc. Gov. Code, Sec.  
13 376.422(d).)

14 [Sections 3810.158-3810.200 reserved for expansion]

#### 15 SUBCHAPTER E. DISSOLUTION

16 Sec. 3810.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
17 DEBT. (a) The board may dissolve the district regardless of  
18 whether the district has debt. Section 375.264, Local Government  
19 Code, does not apply to the district.

20 (b) If the district has debt when it is dissolved, the  
21 district shall remain in existence solely for the purpose of  
22 discharging its debts. The dissolution is effective when all debts  
23 have been discharged. (Loc. Gov. Code, Sec. 376.425.)

#### 24 CHAPTER 3811. NEAR NORTHWEST MANAGEMENT DISTRICT

##### 25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 3811.001. DEFINITIONS

27 Sec. 3811.002. NEAR NORTHWEST MANAGEMENT DISTRICT

1   Sec. 3811.003.   PURPOSE; DECLARATION OF INTENT  
2   Sec. 3811.004.   FINDINGS OF BENEFIT AND PUBLIC PURPOSE  
3   Sec. 3811.005.   DISTRICT TERRITORY  
4   Sec. 3811.006.   APPLICABILITY OF OTHER LAW  
5   Sec. 3811.007.   RELATION TO OTHER LAW  
6   Sec. 3811.008.   LIBERAL CONSTRUCTION OF CHAPTER  
7           [Sections 3811.009-3811.050 reserved for expansion]  
8                   SUBCHAPTER B.   BOARD OF DIRECTORS  
9   Sec. 3811.051.   BOARD OF DIRECTORS; TERMS  
10   Sec. 3811.052.   APPOINTMENT OF DIRECTORS  
11   Sec. 3811.053.   EX OFFICIO DIRECTORS  
12   Sec. 3811.054.   CONFLICTS OF INTEREST  
13           [Sections 3811.055-3811.100 reserved for expansion]  
14                   SUBCHAPTER C.   POWERS AND DUTIES  
15   Sec. 3811.101.   DISTRICT POWERS  
16   Sec. 3811.102.   NONPROFIT CORPORATION  
17   Sec. 3811.103.   CONTRACTS; GRANTS; DONATIONS  
18   Sec. 3811.104.   ANNEXATION  
19           [Sections 3811.105-3811.150 reserved for expansion]  
20                   SUBCHAPTER D.   FINANCIAL PROVISIONS  
21   Sec. 3811.151.   PETITION REQUIRED FOR FINANCING SERVICES  
22                   AND IMPROVEMENTS  
23   Sec. 3811.152.   DISBURSEMENTS AND TRANSFERS OF MONEY  
24   Sec. 3811.153.   BOARD VOTE REQUIRED TO IMPOSE TAXES,  
25                   ASSESSMENTS, OR IMPACT FEES  
26   Sec. 3811.154.   AUTHORITY TO IMPOSE AD VALOREM TAXES,  
27                   ASSESSMENTS, AND IMPACT FEES

1   Sec. 3811.155.   MAINTENANCE TAX  
2   Sec. 3811.156.   ASSESSMENTS; LIENS FOR ASSESSMENTS  
3   Sec. 3811.157.   PROPERTY EXEMPT FROM IMPACT FEES AND  
4                               ASSESSMENTS  
5   Sec. 3811.158.   OBLIGATIONS; APPROVAL BY CITY OF HOUSTON  
6   Sec. 3811.159.   ELECTIONS REGARDING TAXES OR BONDS  
7   Sec. 3811.160.   SALES AND USE TAX PROHIBITED  
8               [Sections 3811.161-3811.200 reserved for expansion]  
9                               SUBCHAPTER E.   DISSOLUTION  
10   Sec. 3811.201.   DISSOLUTION OF DISTRICT WITH OUTSTANDING  
11                               DEBT  
12               CHAPTER 3811.   NEAR NORTHWEST MANAGEMENT DISTRICT  
13                               SUBCHAPTER A.   GENERAL PROVISIONS  
14               Sec. 3811.001.   DEFINITIONS.   In this chapter:  
15                       (1)   "Board"   means   the   board   of   directors   of   the  
16   district.  
17                       (2)   "District"   means   the   Near   Northwest   Management  
18   District.   (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
19   77th Leg., R.S., Ch. 418.)  
20               Sec. 3811.002.   NEAR   NORTHWEST   MANAGEMENT   DISTRICT.   A  
21   special district known as the "Near Northwest Management District"  
22   is a governmental agency and political subdivision of this state.  
23   (Loc. Gov. Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch.  
24   418.)  
25               Sec. 3811.003.   PURPOSE;   DECLARATION   OF   INTENT.   (a)   The  
26   creation of the district is essential to accomplish the purposes of  
27   Sections 52 and 52-a, Article III, and Section 59, Article XVI,



1 Texas Constitution, and other public purposes stated in this  
2 chapter. By creating the district and in authorizing Harris  
3 County, the City of Houston, and other political subdivisions to  
4 contract with the district, the legislature has established a  
5 program to accomplish the public purposes set out in Section 52-a,  
6 Article III, Texas Constitution.

7 (b) The creation of the district is necessary to promote,  
8 develop, encourage, and maintain employment, commerce,  
9 transportation, housing, tourism, recreation, the arts,  
10 entertainment, economic development, safety, and the public  
11 welfare in the near northwest area of the city of Houston.

12 (c) This chapter and the creation of the district may not be  
13 interpreted to relieve Harris County or the City of Houston from  
14 providing the level of services provided as of May 28, 2001, to the  
15 area in the district or to release the county or the city from the  
16 obligations of each entity to provide services to that area. The  
17 district is created to supplement and not to supplant the county or  
18 city services provided in the area in the district. (Loc. Gov.  
19 Code, Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
20 418.)

21 Sec. 3811.004. FINDINGS OF BENEFIT AND PUBLIC  
22 PURPOSE. (a) The district is created to serve a public use and  
23 benefit.

24 (b) All land and other property included in the district  
25 will benefit from the improvements and services to be provided by  
26 the district under powers conferred by Sections 52 and 52-a,  
27 Article III, and Section 59, Article XVI, Texas Constitution, and

1 other powers granted under this chapter.

2 (c) The creation of the district is in the public interest  
3 and is essential to:

4 (1) further the public purposes of developing and  
5 diversifying the economy of the state;

6 (2) eliminate unemployment and underemployment; and

7 (3) develop or expand transportation and commerce.

8 (d) The district will:

9 (1) promote the health, safety, and general welfare of  
10 residents, employers, employees, visitors, and consumers in the  
11 district, and of the public;

12 (2) provide needed funding for the near northwest area  
13 of the city of Houston to preserve, maintain, and enhance the  
14 economic health and vitality of the area as a community and business  
15 center; and

16 (3) promote the health, safety, welfare, and enjoyment  
17 of the public by providing pedestrian ways and by landscaping and  
18 developing certain areas in the district, which are necessary for  
19 the restoration, preservation, and enhancement of scenic and  
20 aesthetic beauty.

21 (e) Pedestrian ways along or across a street, whether at  
22 grade or above or below the surface, and street lighting, street  
23 landscaping, and street art objects are parts of and necessary  
24 components of a street and are considered to be a street or road  
25 improvement.

26 (f) The district will not act as the agent or  
27 instrumentality of any private interest even though the district

1 will benefit many private interests as well as the public. (Loc.  
2 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 418.)

3 Sec. 3811.005. DISTRICT TERRITORY. (a) The district is  
4 composed of the territory contained in the area bounded by T.C.  
5 Jester Boulevard on the east, Pinemont Drive on the south,  
6 Hollister Drive projected to State Road 249 on the west, and State  
7 Road 249 on the north, as those roads existed on May 28, 2001, and as  
8 that territory may have been modified under:

9 (1) Section 3811.104 or its predecessor statute,  
10 former Section 376.479, Local Government Code, as added by Section  
11 1, Chapter 418, Acts of the 77th Legislature, Regular Session,  
12 2001;

13 (2) Subchapter J, Chapter 49, Water Code; or

14 (3) other law.

15 (b) The boundaries described by Subsection (a) form a  
16 closure. A mistake in the description in the legislative process  
17 does not in any way affect:

18 (1) the district's organization, existence, and  
19 validity;

20 (2) the district's right to issue any type of bond,  
21 including a refunding bond, for a purpose for which the district is  
22 created or to pay the principal of and interest on the bond;

23 (3) the district's right to impose and collect an  
24 assessment or tax; or

25 (4) the legality or operation of the district or the  
26 board. (Loc. Gov. Code, Secs. 376.454, 376.455, as added Acts 77th  
27 Leg., R.S., Ch. 418; New.)

1           Sec. 3811.006. APPLICABILITY OF OTHER LAW. Except as  
2 otherwise provided by this chapter, Chapter 375, Local Government  
3 Code, applies to the district, the board, and district employees.  
4 (Loc. Gov. Code, Secs. 376.457, 376.461 (part), as added Acts 77th  
5 Leg., R.S., Ch. 418.)

6           Sec. 3811.007. RELATION TO OTHER LAW. This chapter  
7 prevails over any provision of general law, including a law to which  
8 this chapter refers, that is in conflict with or is inconsistent  
9 with this chapter. (Loc. Gov. Code, Sec. 376.467 (part), as added  
10 Acts 77th Leg., R.S., Ch. 418.)

11          Sec. 3811.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
12 chapter shall be liberally construed in conformity with the  
13 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
14 376.458, as added Acts 77th Leg., R.S., Ch. 418.)

15           [Sections 3811.009-3811.050 reserved for expansion]

16                       SUBCHAPTER B. BOARD OF DIRECTORS

17          Sec. 3811.051. BOARD OF DIRECTORS; TERMS. (a) The  
18 district is governed by a board of nine directors who serve  
19 staggered terms of four years with five directors' terms expiring  
20 June 1 of an odd-numbered year and four directors' terms expiring  
21 June 1 of the following odd-numbered year.

22           (b) The board by resolution may increase or decrease the  
23 number of directors on the board, but only if it is in the best  
24 interest of the district to do so. The board may not:

25                       (1) increase the number of directors to more than 30;

26 or

27                       (2) decrease the number of directors to fewer than

1 nine. (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th Leg.,  
2 R.S., Ch. 418.)

3 Sec. 3811.052. APPOINTMENT OF DIRECTORS. The mayor and  
4 members of the governing body of the City of Houston shall appoint  
5 directors from persons recommended by the board who meet the  
6 qualifications prescribed by Subchapter D, Chapter 375, Local  
7 Government Code. (Loc. Gov. Code, Sec. 376.460 (part), as added  
8 Acts 77th Leg., R.S., Ch. 418.)

9 Sec. 3811.053. EX OFFICIO DIRECTORS. (a) The following  
10 persons serve as nonvoting ex officio directors:

11 (1) the directors of the parks and recreation,  
12 planning and development, public works, and civic center  
13 departments of the City of Houston;

14 (2) the chief of police of the City of Houston;

15 (3) the general manager of the Metropolitan Transit  
16 Authority of Harris County, Texas; and

17 (4) the president of each institution of higher  
18 learning located in the district.

19 (b) If a department described by Subsection (a) is  
20 consolidated, renamed, or changed, the board may appoint a director  
21 of the consolidated, renamed, or changed department as a nonvoting  
22 ex officio director. If a department described by Subsection (a) is  
23 abolished, the board may appoint a representative of another  
24 department of the City of Houston that performs duties comparable  
25 to those performed by the abolished department.

26 (c) The board may appoint the presiding officer of a  
27 nonprofit corporation that is actively involved in activities in

1 the near northwest area of the city of Houston to serve as a  
2 nonvoting ex officio director. (Loc. Gov. Code, Sec. 376.464, as  
3 added Acts 77th Leg., R.S., Ch. 418.)

4 Sec. 3811.054. CONFLICTS OF INTEREST. (a) Except as  
5 provided by this section:

6 (1) a director may participate in all board votes and  
7 decisions; and

8 (2) Chapter 171, Local Government Code, governs  
9 conflicts of interest of directors.

10 (b) Section 171.004, Local Government Code, does not apply  
11 to the district. A director who has a substantial interest in a  
12 business or charitable entity that will receive a pecuniary benefit  
13 from a board action shall file an affidavit with the board secretary  
14 declaring the interest. Another affidavit is not required if the  
15 director's interest changes.

16 (c) After the affidavit is filed, the director may  
17 participate in a discussion or vote on that action if:

18 (1) a majority of the directors have a similar  
19 interest in the same entity; or

20 (2) all other similar business or charitable entities  
21 in the district will receive a similar pecuniary benefit.

22 (d) A director who is also an officer or employee of a public  
23 entity may not participate in a discussion of or vote on a matter  
24 regarding a contract with that same public entity.

25 (e) For purposes of this section, a director has a  
26 substantial interest in a charitable entity in the same manner that  
27 a person would have a substantial interest in a business entity

1 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
2 Sec. 376.465, as added Acts 77th Leg., R.S., Ch. 418.)

3 [Sections 3811.055-3811.100 reserved for expansion]

4 SUBCHAPTER C. POWERS AND DUTIES

5 Sec. 3811.101. DISTRICT POWERS. The district has:

6 (1) all powers necessary to accomplish the purposes  
7 for which the district was created;

8 (2) the powers given to a corporation under Section  
9 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
10 Texas Civil Statutes), and the power to own, operate, acquire,  
11 construct, lease, improve, and maintain projects; and

12 (3) the powers given to a housing finance corporation  
13 created under Chapter 394, Local Government Code, to provide  
14 housing or residential development projects in the district. (Loc.  
15 Gov. Code, Sec. 376.461 (part), as added Acts 77th Leg., R.S., Ch.  
16 418.)

17 Sec. 3811.102. NONPROFIT CORPORATION. (a) The board by  
18 resolution may authorize the creation of a nonprofit corporation to  
19 assist and act for the district in implementing a project or  
20 providing a service authorized by this chapter.

21 (b) The nonprofit corporation:

22 (1) has each power of and is considered for purposes of  
23 this chapter to be a local government corporation created under  
24 Chapter 431, Transportation Code; and

25 (2) may implement any project and provide any service  
26 authorized by this chapter.

27 (c) The board shall appoint the board of directors of the

1 nonprofit corporation. The board of directors of the nonprofit  
2 corporation shall serve in the same manner as, for the same term as,  
3 and on the conditions of the board of directors of a local  
4 government corporation created under Chapter 431, Transportation  
5 Code. (Loc. Gov. Code, Sec. 376.469, as added Acts 77th Leg., R.S.,  
6 Ch. 418.)

7       Sec. 3811.103. CONTRACTS; GRANTS; DONATIONS. (a) To  
8 protect the public interest, the district may contract with Harris  
9 County or the City of Houston for the county or city to provide law  
10 enforcement services in the district for a fee.

11       (b) Harris County, the City of Houston, or another political  
12 subdivision of this state, without further authorization, may  
13 contract with the district to implement a project of the district or  
14 assist the district in providing a service authorized under this  
15 chapter. A contract under this subsection may:

- 16           (1) be for a period on which the parties agree;  
17           (2) include terms on which the parties agree;  
18           (3) be payable from taxes or any other source of  
19 revenue that may be available for that project or service; or  
20           (4) provide terms under which taxes or other revenue  
21 collected at a district project or from a person using or purchasing  
22 a commodity or service at a district project may be paid or rebated  
23 to the district.

24       (c) The district may enter into a contract, lease, or other  
25 agreement with or make or accept a grant or loan to or from, or  
26 accept a donation from, any person, including:

- 27           (1) the United States;



1           (2) this state or a state agency;

2           (3) any political subdivision of this state; or

3           (4) a public or private corporation, including a  
4 nonprofit corporation created by the board under this subchapter.

5           (d) The district may perform all acts necessary for the full  
6 exercise of the powers vested in the district on terms and for the  
7 period the board determines advisable.

8           (e) The implementation of a project is a governmental  
9 function or service for the purposes of Chapter 791, Government  
10 Code. (Loc. Gov. Code, Secs. 376.478, 376.480, as added Acts 77th  
11 Leg., R.S., Ch. 418.)

12           Sec. 3811.104. ANNEXATION. In addition to the authority to  
13 annex territory under Subchapter C, Chapter 375, Local Government  
14 Code, the district has the authority to annex territory located in a  
15 reinvestment zone created by the City of Houston under Chapter 311,  
16 Tax Code, if the city's governing body consents to the annexation.  
17 (Loc. Gov. Code, Sec. 376.479, as added Acts 77th Leg., R.S., Ch.  
18 418.)

19           [Sections 3811.105-3811.150 reserved for expansion]

20           SUBCHAPTER D. FINANCIAL PROVISIONS

21           Sec. 3811.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
22 IMPROVEMENTS. (a) The board may not finance a service or an  
23 improvement project under this chapter unless a written petition  
24 requesting that service or improvement is filed with the board.

25           (b) The petition must be signed by:

26           (1) the owners of a majority of the assessed value of  
27 real property in the district according to the most recent

1 certified tax appraisal roll for Harris County; or

2 (2) at least 50 owners of land in the district, if more  
3 than 50 persons own land in the district according to the most  
4 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
5 Code, Sec. 376.468, as added Acts 77th Leg., R.S., Ch. 418.)

6 Sec. 3811.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
7 board by resolution shall establish the number of directors'  
8 signatures and the procedure required for a disbursement or  
9 transfer of the district's money. (Loc. Gov. Code, Sec. 376.470, as  
10 added Acts 77th Leg., R.S., Ch. 418.)

11 Sec. 3811.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
12 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
13 or impact fee requires a vote of a majority of the directors  
14 serving. (Loc. Gov. Code, Sec. 376.459(b) (part), as added Acts  
15 77th Leg., R.S., Ch. 418.)

16 Sec. 3811.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
17 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
18 tax, assessment, or impact fee as provided by Chapter 375, Local  
19 Government Code, to provide an improvement or service for a project  
20 or activity the district may acquire, construct, improve, or  
21 provide under this chapter. (Loc. Gov. Code, Sec. 376.461 (part),  
22 as added Acts 77th Leg., R.S., Ch. 418.)

23 Sec. 3811.155. MAINTENANCE TAX. (a) If authorized at an  
24 election held in accordance with Section 3811.159, the district may  
25 impose an annual ad valorem tax on taxable property in the district  
26 to:

27 (1) maintain and operate the district and the

1 improvements constructed or acquired by the district; or

2 (2) provide a service.

3 (b) The board shall determine the tax rate. (Loc. Gov.  
4 Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 418.)

5 Sec. 3811.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
6 The board by resolution may impose and collect an assessment for any  
7 purpose authorized by this chapter.

8 (b) An assessment, a reassessment, or an assessment  
9 resulting from an addition to or correction of the assessment roll  
10 by the district, penalties and interest on an assessment or  
11 reassessment, an expense of collection, and reasonable attorney's  
12 fees incurred by the district:

13 (1) are a first and prior lien against the property  
14 assessed;

15 (2) are superior to any other lien or claim other than  
16 a lien or claim for county, school district, or municipal ad valorem  
17 taxes; and

18 (3) are the personal liability of and a charge against  
19 each owner of the property even if the owners are not named in the  
20 assessment proceeding.

21 (c) The lien is effective from the date of the board's  
22 resolution imposing the assessment until the date the assessment is  
23 paid. The board may enforce the lien in the same manner that the  
24 board may enforce an ad valorem tax lien against real property.

25 (d) The board may correct, add to, or delete assessments  
26 from its assessment rolls after notice and hearing as provided by  
27 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,

1 Secs. 376.461 (part), 376.472, as added Acts 77th Leg., R.S., Ch.  
2 418.)

3 Sec. 3811.157. PROPERTY EXEMPT FROM IMPACT FEES AND  
4 ASSESSMENTS. The district may not impose an impact fee or  
5 assessment on:

6 (1) a residence homestead as defined by Section 11.13,  
7 Tax Code; or

8 (2) the property, equipment, or facilities of a person  
9 that provides to the public cable television, gas, light, power,  
10 telephone, sewage, or water service. (Loc. Gov. Code, Secs.  
11 376.453(5), 376.473, as added Acts 77th Leg., R.S., Ch. 418.)

12 Sec. 3811.158. OBLIGATIONS; APPROVAL BY CITY OF  
13 HOUSTON. (a) The district may issue bonds or other obligations  
14 payable in whole or in part from ad valorem taxes, assessments,  
15 impact fees, revenue, grants, or other money of the district, or any  
16 combination of those sources of money, to pay for any authorized  
17 purpose of the district.

18 (b) In exercising the district's borrowing power, the  
19 district may issue a bond or other obligation in the form of a bond,  
20 note, certificate of participation or other instrument evidencing a  
21 proportionate interest in payments to be made by the district, or  
22 other type of obligation.

23 (c) Except as provided by Subsection (d), the district must  
24 obtain the approval of the City of Houston:

25 (1) for the issuance of a bond for each improvement  
26 project;

27 (2) of the plans and specifications of the improvement

1 project to be financed by the bond; and

2 (3) of the plans and specifications of a district  
3 improvement project related to:

4 (A) the use of land owned by the City of Houston;

5 (B) an easement granted by the City of Houston;

6 or

7 (C) a right-of-way of a street, road, or highway.

8 (d) If the district obtains the approval of the City of  
9 Houston of a capital improvements budget for a specified period not  
10 to exceed five years, the district may finance the capital  
11 improvements and issue bonds specified in the budget without  
12 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
13 376.471(a), (b) (part), (c), (d), as added Acts 77th Leg., R.S., Ch.  
14 418.)

15 Sec. 3811.159. ELECTIONS REGARDING TAXES OR  
16 BONDS. (a) In addition to the elections required under  
17 Subchapter L, Chapter 375, Local Government Code, the district must  
18 hold an election in the manner provided by that subchapter to obtain  
19 voter approval before the district may:

20 (1) impose a maintenance tax; or

21 (2) issue a bond payable from ad valorem taxes or  
22 assessments.

23 (b) The board may submit multiple purposes in a single  
24 proposition at an election. (Loc. Gov. Code, Sec. 376.474, as added  
25 Acts 77th Leg., R.S., Ch. 418.)

26 Sec. 3811.160. SALES AND USE TAX PROHIBITED. The district  
27 may not impose a sales and use tax. (Loc. Gov. Code, Sec. 376.462,

1 as added Acts 77th Leg., R.S., Ch. 418.)

2 [Sections 3811.161-3811.200 reserved for expansion]

3 SUBCHAPTER E. DISSOLUTION

4 Sec. 3811.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
5 DEBT. If the district has debt when it is dissolved, the district  
6 shall remain in existence solely for the purpose of discharging its  
7 bonds or other obligations according to their terms. (Loc. Gov.  
8 Code, Sec. 376.477 (part), as added Acts 77th Leg., R.S., Ch. 418.)

9 CHAPTER 3812. GREATER NORTHSIDE MANAGEMENT DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 3812.001. DEFINITIONS

12 Sec. 3812.002. GREATER NORTHSIDE MANAGEMENT DISTRICT

13 Sec. 3812.003. PURPOSE; DECLARATION OF INTENT

14 Sec. 3812.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

15 Sec. 3812.005. DISTRICT TERRITORY

16 Sec. 3812.006. APPLICABILITY OF OTHER LAW

17 Sec. 3812.007. RELATION TO OTHER LAW

18 Sec. 3812.008. LIBERAL CONSTRUCTION OF CHAPTER

19 [Sections 3812.009-3812.050 reserved for expansion]

20 SUBCHAPTER B. BOARD OF DIRECTORS

21 Sec. 3812.051. BOARD OF DIRECTORS; TERMS

22 Sec. 3812.052. APPOINTMENT OF DIRECTORS

23 Sec. 3812.053. INITIAL DIRECTORS

24 [Sections 3812.054-3812.100 reserved for expansion]

25 SUBCHAPTER C. POWERS AND DUTIES

26 Sec. 3812.101. DISTRICT POWERS

27 Sec. 3812.102. NONPROFIT CORPORATION

1   Sec. 3812.103.   CONTRACTS; GRANTS

2                   [Sections 3812.104-3812.150 reserved for expansion]

3                   SUBCHAPTER D.   FINANCIAL PROVISIONS

4   Sec. 3812.151.   PETITION REQUIRED FOR FINANCING SERVICES

5                   AND IMPROVEMENTS

6   Sec. 3812.152.   DISBURSEMENTS AND TRANSFERS OF MONEY

7   Sec. 3812.153.   BOARD VOTE REQUIRED TO IMPOSE TAXES,

8                   ASSESSMENTS, OR IMPACT FEES

9   Sec. 3812.154.   AUTHORITY TO IMPOSE AD VALOREM TAXES,

10                  ASSESSMENTS, AND IMPACT FEES

11   Sec. 3812.155.   MAINTENANCE TAX

12   Sec. 3812.156.   ASSESSMENTS; LIENS FOR ASSESSMENTS

13   Sec. 3812.157.   PROPERTY EXEMPT FROM TAXES, IMPACT FEES,

14                  AND ASSESSMENTS

15   Sec. 3812.158.   OBLIGATIONS; APPROVAL BY CITY OF

16                  HOUSTON

17   Sec. 3812.159.   ELECTIONS REGARDING TAXES OR BONDS

18                  [Sections 3812.160-3812.200 reserved for expansion]

19                  SUBCHAPTER E.   DISSOLUTION

20   Sec. 3812.201.   DISSOLUTION OF DISTRICT WITH OUTSTANDING

21                  DEBT

22                  CHAPTER 3812.   GREATER NORTHSIDE MANAGEMENT DISTRICT

23                  SUBCHAPTER A.   GENERAL PROVISIONS

24   Sec. 3812.001.   DEFINITIONS.   In this chapter:

25                  (1)   "Board"   means the board of directors of the

26   district.

27                  (2)   "District" means the Greater Northside Management

1 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
2 77th Leg., R.S., Ch. 1356.)

3 Sec. 3812.002. GREATER NORTHSIDE MANAGEMENT DISTRICT. The  
4 Greater Northside Management District is a special district created  
5 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
6 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1356.)

7 Sec. 3812.003. PURPOSE; DECLARATION OF INTENT. (a) The  
8 creation of the district is essential to accomplish the purposes of  
9 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
10 Texas Constitution, and other public purposes stated in this  
11 chapter.

12 (b) The creation of the district is necessary to promote,  
13 develop, encourage, and maintain employment, commerce,  
14 transportation, housing, tourism, recreation, the arts,  
15 entertainment, economic development, safety, and the public  
16 welfare in the north side of the city of Houston.

17 (c) This chapter and the creation of the district may not be  
18 interpreted to relieve Harris County or the City of Houston from  
19 providing the level of services provided as of June 16, 2001, to the  
20 area in the district or to release the county or the city from the  
21 obligations of each entity to provide services to that area. The  
22 district is created to supplement and not to supplant the county or  
23 city services provided in the area in the district. (Loc. Gov.  
24 Code, Sec. 376.452, as added Acts 77th Leg., R.S., Ch. 1356.)

25 Sec. 3812.004. FINDINGS OF BENEFIT AND PUBLIC  
26 PURPOSE. (a) The district is created to serve a public use and  
27 benefit.



1           (b) All land and other property included in the district  
2 will benefit from the improvements and services to be provided by  
3 the district under powers conferred by Sections 52 and 52-a,  
4 Article III, and Section 59, Article XVI, Texas Constitution, and  
5 other powers granted under this chapter.

6           (c) The creation of the district is in the public interest  
7 and is essential to:

8                 (1) further the public purposes of developing and  
9 diversifying the economy of the state;

10                (2) eliminate unemployment and underemployment; and

11                (3) develop or expand transportation and commerce.

12           (d) The district will:

13                 (1) promote the health, safety, and general welfare of  
14 residents, employers, potential employees, employees, visitors,  
15 and consumers in the district, and of the public;

16                 (2) provide needed funding to preserve, maintain, and  
17 enhance the economic health and vitality of the district as a  
18 community and business center; and

19                 (3) promote the health, safety, welfare, and enjoyment  
20 of the public by providing pedestrian ways and by landscaping and  
21 developing certain areas in the district, which are necessary for  
22 the restoration, preservation, and enhancement of scenic beauty.

23           (e) Pedestrian ways along or across a street, whether at  
24 grade or above or below the surface, and street lighting, street  
25 landscaping, and street art objects are parts of and necessary  
26 components of a street and are considered to be a street or road  
27 improvement.

1           (f) The district will not act as the agent or  
2 instrumentality of any private interest even though the district  
3 will benefit many private interests as well as the public. (Loc.  
4 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1356.)

5           Sec. 3812.005. DISTRICT TERRITORY. (a) The district is  
6 composed of the territory described by Chapter 1356, Acts of the  
7 77th Legislature, Regular Session, 2001, enacting former Section  
8 376.454, Local Government Code, as that territory may have been  
9 modified under:

10                 (1) Subchapter J, Chapter 49, Water Code; or

11                 (2) other law.

12           (b) The boundaries and field notes of the district contained  
13 in Chapter 1356, Acts of the 77th Legislature, Regular Session,  
14 2001, enacting former Section 376.454, Local Government Code, form  
15 a closure. A mistake in the field notes or in copying the field  
16 notes in the legislative process does not in any way affect the  
17 district's:

18                 (1) organization, existence, or validity;

19                 (2) right to issue any type of bond for a purpose for  
20 which the district is created or to pay the principal of and  
21 interest on the bond;

22                 (3) right to impose or collect an assessment or tax; or

23                 (4) legality or operation. (Loc. Gov. Code, Sec.  
24 376.455, as added Acts 77th Leg., R.S., Ch. 1356; New.)

25           Sec. 3812.006. APPLICABILITY OF OTHER LAW. Except as  
26 otherwise provided by this chapter, Chapter 375, Local Government  
27 Code, applies to the district. (Loc. Gov. Code, Secs. 376.457,

1 376.461 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

2 Sec. 3812.007. RELATION TO OTHER LAW. This chapter  
3 prevails over any provision of general law, including a law to which  
4 this chapter refers, that is in conflict with or is inconsistent  
5 with this chapter. (Loc. Gov. Code, Sec. 376.464 (part), as added  
6 Acts 77th Leg., R.S., Ch. 1356.)

7 Sec. 3812.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
8 chapter shall be liberally construed in conformity with the  
9 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
10 376.458, as added Acts 77th Leg., R.S., Ch. 1356.)

11 [Sections 3812.009-3812.050 reserved for expansion]

12 SUBCHAPTER B. BOARD OF DIRECTORS

13 Sec. 3812.051. BOARD OF DIRECTORS; TERMS. (a) The  
14 district is governed by a board of 11 directors who serve staggered  
15 terms of four years with five directors' terms expiring June 1 of an  
16 odd-numbered year and six directors' terms expiring June 1 of the  
17 following odd-numbered year.

18 (b) The board by resolution may increase or decrease the  
19 number of directors on the board, but only if it is in the best  
20 interest of the district to do so. The board may not:

21 (1) increase the number of directors to more than 30;

22 or

23 (2) decrease the number of directors to fewer than  
24 nine. (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th Leg.,  
25 R.S., Ch. 1356.)

26 Sec. 3812.052. APPOINTMENT OF DIRECTORS. The mayor and  
27 members of the governing body of the City of Houston shall appoint

1 directors from persons recommended by the board who meet the  
2 qualifications prescribed by Subchapter D, Chapter 375, Local  
3 Government Code. (Loc. Gov. Code, Sec. 376.460(a), as added Acts  
4 77th Leg., R.S., Ch. 1356.)

5 Sec. 3812.053. INITIAL DIRECTORS. (a) The initial board  
6 consists of the following persons:

7	Pos. No.	Name of Director
8	1	Jeanette Rash
9	2	Lisa Cabral
10	3	Rodrigo Gonzalez
11	4	Toy Brando Halsey
12	5	Dr. John Perez
13	6	Leticia Elias
14	7	Sam Treynor
15	8	Candy Perez
16	9	Dr. San Juanita Garza
17	10	Jesse Tanner
18	11	Frumencio Reyes

19 (b) The terms of the initial directors appointed for  
20 positions 1 through 5 expire on June 1, 2003, and the terms of the  
21 initial directors appointed for positions 6 through 11 expire on  
22 June 1, 2005.

23 (c) Section 3812.052 does not apply to this section.

24 (d) This section expires September 1, 2006. (Loc. Gov.  
25 Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 1356.)

26 [Sections 3812.054-3812.100 reserved for expansion]

27 SUBCHAPTER C. POWERS AND DUTIES

1           Sec. 3812.101. DISTRICT POWERS. The district has:

2           (1) all powers necessary to accomplish the purposes  
3 for which the district was created; and

4           (2) the powers given to a corporation under Section  
5 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
6 Texas Civil Statutes), and the power to own, operate, acquire,  
7 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
8 Sec. 376.461 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

9           Sec. 3812.102. NONPROFIT CORPORATION. (a) The board by  
10 resolution may authorize the creation of a nonprofit corporation to  
11 assist and act for the district in implementing a project or  
12 providing a service authorized by this chapter.

13          (b) The nonprofit corporation:

14          (1) has each power of and is considered for purposes of  
15 this chapter to be a local government corporation created under  
16 Chapter 431, Transportation Code; and

17          (2) may implement any project and provide any service  
18 authorized by this chapter.

19          (c) The board shall appoint the board of directors of the  
20 nonprofit corporation. The board of directors of the nonprofit  
21 corporation shall serve in the same manner as, for the same term as,  
22 and on the same conditions as the board of directors of a local  
23 government corporation created under Chapter 431, Transportation  
24 Code. (Loc. Gov. Code, Sec. 376.466, as added Acts 77th Leg., R.S.,  
25 Ch. 1356.)

26          Sec. 3812.103. CONTRACTS; GRANTS. (a) To protect the  
27 public interest, the district may contract with Harris County or

1 the City of Houston for the county or the city to provide law  
2 enforcement services in the district for a fee.

3 (b) Harris County, the City of Houston, or another political  
4 subdivision of this state, without further authorization, may  
5 contract with the district to implement a project of the district or  
6 assist the district in providing a service authorized under this  
7 chapter. A contract under this subsection may:

8 (1) be for a period on which the parties agree;

9 (2) include terms on which the parties agree;

10 (3) be payable from taxes or any other source of  
11 revenue that may be available for that project or service; and

12 (4) provide terms under which taxes or other revenue  
13 collected at a district project or from a person using or purchasing  
14 a commodity or service at a district project may be paid or rebated  
15 to the district.

16 (c) The district may enter into a contract, lease, or other  
17 agreement with or make or accept a grant or loan to or from any  
18 person, including:

19 (1) the United States;

20 (2) this state or a state agency;

21 (3) any political subdivision of this state; and

22 (4) a public or private corporation, including a  
23 nonprofit corporation created by the board under this subchapter.

24 (d) The district may perform all acts necessary for the full  
25 exercise of the powers vested in the district on terms and for the  
26 period the board determines advisable. (Loc. Gov. Code, Sec.  
27 376.475, as added Acts 77th Leg., R.S., Ch. 1356.)

1 [Sections 3812.104-3812.150 reserved for expansion]

2 SUBCHAPTER D. FINANCIAL PROVISIONS

3 Sec. 3812.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
4 IMPROVEMENTS. (a) The board may not finance a service or  
5 improvement project under this chapter unless a written petition  
6 requesting that service or improvement is filed with the board.

7 (b) The petition must be signed by:

8 (1) the owners of a majority of the assessed value of  
9 real property in the district according to the most recent  
10 certified tax appraisal roll for Harris County; or

11 (2) at least 50 owners of land in the district, if more  
12 than 50 persons own property in the district according to the most  
13 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
14 Code, Sec. 376.465, as added Acts 77th Leg., R.S., Ch. 1356.)

15 Sec. 3812.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
16 board by resolution shall establish the number of directors'  
17 signatures and the procedure required for a disbursement or  
18 transfer of the district's money. (Loc. Gov. Code, Sec. 376.467, as  
19 added Acts 77th Leg., R.S., Ch. 1356.)

20 Sec. 3812.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
21 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
22 or impact fee requires a vote of a majority of the directors  
23 serving. (Loc. Gov. Code, Sec. 376.459(b) (part), as added Acts  
24 77th Leg., R.S., Ch. 1356.)

25 Sec. 3812.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
26 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
27 tax, assessment, or impact fee as provided by Chapter 375, Local

1 Government Code, to provide an improvement or service for a project  
2 or activity the district may acquire, construct, improve, or  
3 provide under this chapter. (Loc. Gov. Code, Sec. 376.461 (part),  
4 as added Acts 77th Leg., R.S., Ch. 1356.)

5 Sec. 3812.155. MAINTENANCE TAX. (a) If authorized at an  
6 election held in accordance with Section 3812.159, the district may  
7 impose an annual ad valorem tax on taxable property in the district  
8 to:

9 (1) maintain and operate the district and the  
10 improvements constructed or acquired by the district; or

11 (2) provide a service.

12 (b) The board shall determine the tax rate. (Loc. Gov.  
13 Code, Sec. 376.473, as added Acts 77th Leg., R.S., Ch. 1356.)

14 Sec. 3812.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
15 The board by resolution may impose and collect an assessment for any  
16 purpose authorized by this chapter.

17 (b) An assessment, a reassessment, or an assessment  
18 resulting from an addition to or correction of the assessment roll  
19 by the district, penalties and interest on an assessment or  
20 reassessment, an expense of collection, and reasonable attorney's  
21 fees incurred by the district:

22 (1) are a first and prior lien against the property  
23 assessed;

24 (2) are superior to any other lien or claim other than  
25 a lien or claim for county, school district, or municipal ad valorem  
26 taxes; and

27 (3) are the personal liability of and a charge against



1 the owners of the property even if the owners are not named in the  
2 assessment proceeding.

3 (c) The lien is effective from the date of the board's  
4 resolution imposing the assessment until the date the assessment is  
5 paid. The board may enforce the lien in the same manner that the  
6 board may enforce an ad valorem tax lien against real property.

7 (d) The board may correct, add to, or delete assessments  
8 from its assessment rolls after notice and hearing as provided by  
9 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
10 Secs. 376.461 (part), 376.469 (part), as added Acts 77th Leg.,  
11 R.S., Ch. 1356.)

12 Sec. 3812.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
13 ASSESSMENTS. (a) The district may not impose a tax, impact fee,  
14 or assessment on a residential property, multiunit residential  
15 property, or condominium.

16 (b) The district may not impose an impact fee or assessment  
17 on the property, equipment, or facilities of a person that provides  
18 to the public cable television, gas, light, power, telephone,  
19 sewage, or water service. (Loc. Gov. Code, Secs. 376.453(5),  
20 376.470, as added Acts 77th Leg., R.S., Ch. 1356.)

21 Sec. 3812.158. OBLIGATIONS; APPROVAL BY CITY OF  
22 HOUSTON. (a) The district may issue bonds or other obligations  
23 payable in whole or in part from ad valorem taxes, assessments,  
24 impact fees, revenue, grants, or other money of the district, or any  
25 combination of those sources of money, to pay for any authorized  
26 purpose of the district.

27 (b) In exercising the district's borrowing power, the

1 district may issue a bond or other obligation in the form of a bond,  
2 note, certificate of participation or other instrument evidencing a  
3 proportionate interest in payments to be made by the district, or  
4 other type of obligation.

5 (c) Except as provided by Subsection (d), the district must  
6 obtain the approval of the City of Houston:

7 (1) for the issuance of a bond for each improvement  
8 project;

9 (2) of the plans and specifications of the improvement  
10 project to be financed by the bond; and

11 (3) of the plans and specifications of a district  
12 improvement project related to:

13 (A) the use of land owned by the City of Houston;

14 (B) an easement granted by the City of Houston;

15 or

16 (C) a right-of-way of a street, road, or highway.

17 (d) If the district obtains the approval of the City of  
18 Houston of a capital improvements budget for a specified period not  
19 to exceed five years, the district may finance the capital  
20 improvements and issue bonds specified in the budget without  
21 further approval from the City of Houston. (Loc. Gov. Code, Sec.  
22 376.468, as added Acts 77th Leg., R.S., Ch. 1356.)

23 Sec. 3812.159. ELECTIONS REGARDING TAXES OR  
24 BONDS. (a) In addition to the election required under Subchapter  
25 L, Chapter 375, Local Government Code, the district must hold an  
26 election in the manner provided by that subchapter to obtain voter  
27 approval before the district may:

1           (1)   impose a maintenance tax; or  
2           (2)   issue a bond payable from ad valorem taxes or  
3 assessments.

4           (b)   The board may submit multiple purposes in a single  
5 proposition at an election. (Loc. Gov. Code, Sec. 376.471, as added  
6 Acts 77th Leg., R.S., Ch. 1356.)

7           [Sections 3812.160-3812.200 reserved for expansion]

8                       SUBCHAPTER E. DISSOLUTION

9           Sec. 3812.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
10 DEBT. If the district has debt when it is dissolved, the district  
11 shall remain in existence solely for the purpose of discharging its  
12 bonds or other obligations according to their terms. (Loc. Gov.  
13 Code, Sec. 376.474 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

14                      CHAPTER 3813. OLD TOWN SPRING IMPROVEMENT DISTRICT

15                               SUBCHAPTER A. GENERAL PROVISIONS

16       Sec. 3813.001. DEFINITIONS

17       Sec. 3813.002. OLD TOWN SPRING IMPROVEMENT DISTRICT

18       Sec. 3813.003. PURPOSE; DECLARATION OF INTENT

19       Sec. 3813.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE;

20                               GENERAL DUTIES

21       Sec. 3813.005. DISTRICT TERRITORY

22       [Sections 3813.006-3813.050 reserved for expansion]

23                               SUBCHAPTER B. BOARD OF DIRECTORS

24       Sec. 3813.051. BOARD OF DIRECTORS

25       Sec. 3813.052. ELECTION OF DIRECTORS

26       Sec. 3813.053. LAW GOVERNING ADMINISTRATION OF BOARD

27       Sec. 3813.054. VOTING BY BOARD PRESIDENT RESTRICTED

1           [Sections 3813.055-3813.100 reserved for expansion]

2                       SUBCHAPTER C. POWERS AND DUTIES

3   Sec. 3813.101.   DISTRICT POWERS

4   Sec. 3813.102.   RELATION TO OTHER LAW

5   Sec. 3813.103.   RULES

6   Sec. 3813.104.   SPECIFIC POWERS RELATING TO IMPROVEMENT

7                       PROJECTS OR SERVICES

8   Sec. 3813.105.   LEASE, ACQUISITION, OR CONSTRUCTION OF

9                       BUILDING OR FACILITY; ECONOMIC DEVELOPMENT

10                      PROGRAMS

11   Sec. 3813.106.   CONTRACTS; GRANTS; DONATIONS

12   Sec. 3813.107.   ANNEXATION OR EXCLUSION OF TERRITORY

13   Sec. 3813.108.   EMINENT DOMAIN

14   Sec. 3813.109.   PEACE OFFICERS

15           [Sections 3813.110-3813.150 reserved for expansion]

16                       SUBCHAPTER D. FINANCIAL PROVISIONS

17   Sec. 3813.151.   SALES AND USE TAX; EXCISE TAX

18   Sec. 3813.152.   TAX ELECTION PROCEDURES

19   Sec. 3813.153.   BALLOT WORDING

20   Sec. 3813.154.   IMPOSITION, COMPUTATION, ADMINISTRATION,

21                       AND GOVERNANCE OF TAXES

22   Sec. 3813.155.   TAX RATES

23   Sec. 3813.156.   ABOLITION OF TAX

24   Sec. 3813.157.   USE OF TAXES

25   Sec. 3813.158.   EFFECTIVE DATE OF TAX OR TAX CHANGE

26   Sec. 3813.159.   AD VALOREM TAX PROHIBITED

27   Sec. 3813.160.   FEES; CHARGES

1   Sec. 3813.161.   BORROWING MONEY

2   Sec. 3813.162.   PAYMENT OF EXPENSES

3   Sec. 3813.163.   BONDS

4           [Sections 3813.164-3813.200 reserved for expansion]

5                   SUBCHAPTER E. DISSOLUTION

6   Sec. 3813.201.   DISSOLUTION BY BOARD ORDER

7   Sec. 3813.202.   DISSOLUTION BY PETITION OF OWNERS

8   Sec. 3813.203.   ADMINISTRATION OF DISTRICT PROPERTY

9                   FOLLOWING DISSOLUTION

10           CHAPTER 3813. OLD TOWN SPRING IMPROVEMENT DISTRICT

11                   SUBCHAPTER A. GENERAL PROVISIONS

12       Sec. 3813.001.   DEFINITIONS. In this chapter:

13               (1) "Board" means the board of directors of the  
14   district.

15               (2) "District" means the Old Town Spring Improvement  
16   District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
17   77th Leg., R.S., Ch. 1371.)

18       Sec. 3813.002.   OLD TOWN SPRING IMPROVEMENT DISTRICT. The  
19   Old Town Spring Improvement District is a special district created  
20   under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
21   Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1371.)

22       Sec. 3813.003.   PURPOSE; DECLARATION OF INTENT. (a) The  
23   creation of the district is essential to accomplish the purposes of  
24   Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
25   Texas Constitution, and other public purposes stated in this  
26   chapter.

27               (b) The creation of the district is necessary to promote,

1 develop, encourage, and maintain employment, commerce,  
2 transportation, housing, tourism, recreation, the arts,  
3 entertainment, economic development, safety, scenic beauty, and  
4 the public welfare in the Old Town Spring area of Harris County.

5 (c) This chapter and the creation of the district do not  
6 relieve Harris County from providing the level of services provided  
7 as of September 1, 2001, to the area in the district. The district  
8 is created to supplement and not to replace the county services  
9 provided in the area in the district. (Loc. Gov. Code, Sec.  
10 376.452, as added Acts 77th Leg., R.S., Ch. 1371.)

11 Sec. 3813.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE;  
12 GENERAL DUTIES. (a) The district is created to serve a public use  
13 and benefit.

14 (b) All land and other property included in the district  
15 will benefit from the improvements and services to be provided by  
16 the district under powers conferred by Sections 52 and 52-a,  
17 Article III, and Section 59, Article XVI, Texas Constitution, and  
18 other powers granted under this chapter.

19 (c) The creation of the district is in the public interest  
20 and is essential to:

21 (1) further the public purposes of developing and  
22 diversifying the economy of the state;

23 (2) eliminate unemployment and underemployment; and

24 (3) develop or expand transportation and commerce.

25 (d) The district shall:

26 (1) promote the health, safety, and general welfare of  
27 residents, merchants, landowners, employers, potential employees,

1 employees, visitors, and consumers in the district, and of the  
2 public;

3 (2) provide needed funding for the Old Town Spring  
4 area to preserve, maintain, and enhance the economic health and  
5 vitality of the area as a community and business center;

6 (3) provide and maintain common areas and facilities  
7 in the district to ensure scenic beauty;

8 (4) provide improvements in the district to promote  
9 the welfare of the public, residents, merchants, and landowners in  
10 the district; and

11 (5) promote the health, safety, welfare, and enjoyment  
12 of the public by providing pedestrian ways and by landscaping and  
13 developing certain areas in the district, which are necessary for  
14 the restoration, preservation, and enhancement of scenic beauty.

15 (e) The district may not act as the agent or instrumentality  
16 of any private interest even though the district will benefit many  
17 private interests as well as the public. (Loc. Gov. Code, Sec.  
18 376.456, as added Acts 77th Leg., R.S., Ch. 1371.)

19 Sec. 3813.005. DISTRICT TERRITORY. (a) The district is  
20 composed of the territory described by Section 1, Chapter 1371,  
21 Acts of the 77th Legislature, Regular Session, 2001, enacting  
22 former Section 376.454, Local Government Code, as that territory  
23 may have been modified under:

24 (1) Section 3813.107(a) or its predecessor statute,  
25 former Section 376.462(a)(3), Local Government Code, as added by  
26 Chapter 1371, Acts of the 77th Legislature, Regular Session, 2001;

27 (2) Subchapter J, Chapter 49, Water Code; or

1           (3) other law.

2           (b) The boundaries and field notes of the district contained  
3 in Section 1, Chapter 1371, Acts of the 77th Legislature, Regular  
4 Session, 2001, enacting former Section 376.454, Local Government  
5 Code, form a closure. A mistake in the field notes or in copying the  
6 field notes in the legislative process does not in any way affect  
7 the district's:

8           (1) organization, existence, or validity;

9           (2) right to issue any type of bond for a purpose for  
10 which the district is created or to pay the principal of and  
11 interest on the bond;

12           (3) right to impose or collect an assessment or tax; or

13           (4) legality or operation. (Loc. Gov. Code, Sec.  
14 376.455, as added Acts 77th Leg., R.S., Ch. 1371; New.)

15           [Sections 3813.006-3813.050 reserved for expansion]

16           SUBCHAPTER B. BOARD OF DIRECTORS

17           Sec. 3813.051. BOARD OF DIRECTORS. (a) The district is  
18 governed by a board of five directors who occupy numbered  
19 positions. The directors occupying positions one, two, and three  
20 are appointed under this section, and the directors occupying  
21 positions four and five are elected as provided by this section and  
22 Section 3813.052.

23           (b) The Commissioners Court of Harris County shall appoint:

24           (1) one person who leases a retail store or who owns  
25 real property in the district to serve in position one for a  
26 three-year term;

27           (2) one person who leases a retail store but does not



1 own real property in the district to serve in position two for a  
2 two-year term; and

3 (3) one person who owns real property in the district  
4 to serve in position three for a three-year term.

5 (c) A director elected under Section 3813.052 serves a  
6 two-year term. To qualify as a candidate for position four, a  
7 person must reside in the district. To qualify as a candidate for  
8 position five, a person must lease a retail store or own real  
9 property in the district.

10 (d) A term expires on January 31 of the appropriate year.

11 (e) In appointing directors under Subsection (b), the  
12 commissioners court shall consider any recommendation received by  
13 an organization dedicated to the economic development of the Old  
14 Town Spring area. (Loc. Gov. Code, Sec. 376.457, as added Acts 77th  
15 Leg., R.S., Ch. 1371.)

16 Sec. 3813.052. ELECTION OF DIRECTORS. (a) The board shall  
17 hold an election of directors for positions four and five in each  
18 even-numbered year on the uniform election date in February  
19 established by Section 41.001, Election Code.

20 (b) In addition to the contents required by the Election  
21 Code, notice of a directors' election must:

22 (1) state the number of directors to be voted on; and

23 (2) describe the qualifications for each position for  
24 which a candidate is running.

25 (c) In addition to requirements prescribed by the Election  
26 Code, the ballots for a directors' election shall describe the  
27 qualifications of the position for which each candidate is running.

1 (d) The board shall certify that the person receiving the  
2 highest number of votes for each position is elected as the director  
3 for that position. (Loc. Gov. Code, Sec. 376.460, as added Acts  
4 77th Leg., R.S., Ch. 1371.)

5 Sec. 3813.053. LAW GOVERNING ADMINISTRATION OF BOARD.  
6 Sections 375.066-375.070, Local Government Code, apply to the board  
7 as if it were established under Chapter 375 of that code. (Loc.  
8 Gov. Code, Sec. 376.458, as added Acts 77th Leg., R.S., Ch. 1371.)

9 Sec. 3813.054. VOTING BY BOARD PRESIDENT RESTRICTED. The  
10 board president may not vote except to break a tie vote. (Loc. Gov.  
11 Code, Sec. 376.459, as added Acts 77th Leg., R.S., Ch. 1371.)

12 [Sections 3813.055-3813.100 reserved for expansion]

#### 13 SUBCHAPTER C. POWERS AND DUTIES

14 Sec. 3813.101. DISTRICT POWERS. The district has:

15 (1) all powers necessary to accomplish the purposes  
16 for which the district was created;

17 (2) the powers and duties of a municipal management  
18 district under Subchapter E, Chapter 375, Local Government Code;  
19 and

20 (3) the powers given to an industrial development  
21 corporation organized under the Development Corporation Act of 1979  
22 (Article 5190.6, Vernon's Texas Civil Statutes). (Loc. Gov. Code,  
23 Sec. 376.461, as added Acts 77th Leg., R.S., Ch. 1371.)

24 Sec. 3813.102. RELATION TO OTHER LAW. This chapter  
25 prevails over a law to which Section 3813.101 or Subchapter E,  
26 Chapter 375, Local Government Code, refers that is in conflict with  
27 or is inconsistent with this chapter. (Loc. Gov. Code, Sec. 376.464

1 (part), as added Acts 77th Leg., R.S., Ch. 1371.)

2 Sec. 3813.103. RULES. The district may adopt rules for:

3 (1) the administration and operation of the district;

4 (2) the use, enjoyment, availability, protection,  
5 security, and maintenance of the district's facilities; and

6 (3) the provision of public safety and security in the  
7 district. (Loc. Gov. Code, Sec. 376.462(a) (part), as added Acts  
8 77th Leg., R.S., Ch. 1371.)

9 Sec. 3813.104. SPECIFIC POWERS RELATING TO IMPROVEMENT  
10 PROJECTS OR SERVICES. (a) The district may undertake an  
11 improvement project separately or jointly with another person and  
12 pay all or part of the costs of an improvement project, including an  
13 improvement project that:

14 (1) improves, enhances, or supports public safety and  
15 security, fire protection, emergency medical services, or law  
16 enforcement in the district;

17 (2) confers a general benefit on the entire district  
18 and the areas adjacent to the district; or

19 (3) confers a special benefit on all or part of the  
20 district.

21 (b) A district improvement project or service may include:

22 (1) the construction, acquisition, lease, rental,  
23 installment purchase, improvement, rehabilitation, repair,  
24 relocation, and operation of:

25 (A) landscaping; lighting, banners, or signs;  
26 streets or sidewalks; pedestrian or bicycle paths and trails;  
27 pedestrian walkways, skywalks, crosswalks, or tunnels; and highway

1 right-of-way or transit corridor beautification and improvements;

2 (B) drainage or storm water detention  
3 improvements and solid waste, water, sewer, or power facilities and  
4 services, including electrical, gas, steam, and chilled water  
5 facilities and services;

6 (C) parks, lakes, gardens, recreational  
7 facilities, open space, scenic areas, and related exhibits and  
8 preserves; fountains, plazas, or pedestrian malls; public art or  
9 sculpture and related exhibits and facilities and educational or  
10 cultural exhibits and facilities, including exhibits, displays,  
11 attractions, or facilities for special events, holidays, or  
12 seasonal or cultural celebrations;

13 (D) off-street parking facilities, bus  
14 terminals, heliports, mass transit, and roadway or water  
15 transportation systems; and

16 (E) other public improvements, facilities, or  
17 services similar to the improvements, facilities, or services  
18 described by Paragraphs (A)-(D);

19 (2) the cost of removing, razing, demolishing, or  
20 clearing of land or improvements in connection with providing an  
21 improvement project;

22 (3) the acquisition of property or an interest in the  
23 property that is made in connection with an improvement project;  
24 and

25 (4) the provision of special or supplemental services  
26 to improve or promote the area in the district or to protect the  
27 public health and safety in the district, including advertising,

1 promotion, tourism, health and sanitation, public safety,  
2 security, fire protection or emergency medical services, business  
3 recruitment, development, elimination of traffic congestion, and  
4 recreational, educational, or cultural improvements, enhancements,  
5 or services. (Loc. Gov. Code, Secs. 376.462(a) (part), 376.463, as  
6 added Acts 77th Leg., R.S., Ch. 1371.)

7       Sec. 3813.105. LEASE, ACQUISITION, OR CONSTRUCTION OF  
8 BUILDING OR FACILITY; ECONOMIC DEVELOPMENT PROGRAMS. The district  
9 may, as if the district were a home-rule municipality with a  
10 population of more than 100,000:

11           (1) issue bonds and lease, acquire, or construct a  
12 building or facility as provided by Subchapter A, Chapter 1509,  
13 Government Code; and

14           (2) establish and administer a program as provided by  
15 Section 380.002, Local Government Code. (Loc. Gov. Code, Sec.  
16 376.462(d), as added Acts 77th Leg., R.S., Ch. 1371.)

17       Sec. 3813.106. CONTRACTS; GRANTS; DONATIONS. (a) The  
18 district may contract with any person to accomplish the purposes of  
19 this chapter on terms and for the period the board determines,  
20 including contracting for the payment of costs incurred by the  
21 person on behalf of the district, including all or part of the costs  
22 of an improvement project, from tax proceeds or any other specified  
23 source of money.

24           (b) The district may contract with a person to receive,  
25 administer, and perform the district's duties under a gift, grant,  
26 loan, conveyance, transfer, bequest, donation, or other financial  
27 arrangement relating to the investigation, planning, analysis,

1 acquisition, construction, completion, implementation, or  
2 operation of a proposed or existing improvement project.

3 (c) Any person, including any type of governmental entity,  
4 may contract with the district to carry out the purposes of this  
5 chapter. (Loc. Gov. Code, Secs. 376.462(a) (part), 376.475, as  
6 added Acts 77th Leg., R.S., Ch. 1371.)

7 Sec. 3813.107. ANNEXATION OR EXCLUSION OF  
8 TERRITORY. (a) The district may add or exclude territory in the  
9 manner provided by Subchapter J, Chapter 49, Water Code.

10 (b) Not later than the 10th day after the date on which the  
11 district annexes or excludes territory, the board shall send to the  
12 comptroller a certified copy of any resolution, order, or ordinance  
13 relating to the annexation or exclusion. (Loc. Gov. Code, Secs.  
14 376.462(a) (part), 376.473, as added Acts 77th Leg., R.S., Ch.  
15 1371.)

16 Sec. 3813.108. EMINENT DOMAIN. The district may not  
17 exercise the power of eminent domain. (Loc. Gov. Code, Sec.  
18 376.465, as added Acts 77th Leg., R.S., Ch. 1371.)

19 Sec. 3813.109. PEACE OFFICERS. The district may not employ  
20 peace officers. (Loc. Gov. Code, Sec. 376.462(b), as added Acts  
21 77th Leg., R.S., Ch. 1371.)

22 [Sections 3813.110-3813.150 reserved for expansion]

23 SUBCHAPTER D. FINANCIAL PROVISIONS

24 Sec. 3813.151. SALES AND USE TAX; EXCISE TAX. (a) For  
25 purposes of this section:

26 (1) "Taxable items" includes all items subject to a  
27 sales and use tax that is imposed by Harris County.

1           (2) "Use," with respect to a taxable service, means  
2 the derivation in the district of a direct or indirect benefit from  
3 the service.

4           (b) The district may impose a sales and use tax if  
5 authorized by a majority vote at an election held for that purpose.

6           (c) If the district adopts a sales and use tax:

7               (1) the tax is imposed on the receipts from the sale at  
8 retail of taxable items in the district; and

9               (2) an excise tax is imposed on the use, storage, or  
10 other consumption in the district of taxable items purchased or  
11 rented from a retailer during the period in which the sales and use  
12 tax is effective in the district.

13           (d) The rate of the excise tax is the same as the rate of the  
14 sales tax portion of the tax applied to the sales price of the  
15 taxable items and is included in the sales tax. (Loc. Gov. Code,  
16 Secs. 376.462(a) (part), 376.466(a), (b) (part), (c), (d), as added  
17 Acts 77th Leg., R.S., Ch. 1371.)

18           Sec. 3813.152. TAX ELECTION PROCEDURES. (a) The board  
19 may order an election to adopt, change the rate of, or abolish a  
20 sales and use tax. The election may be held at the same time and in  
21 conjunction with a directors' election.

22           (b) The election must be held on the next uniform election  
23 date that falls on or after the 45th day after the date the election  
24 order is adopted.

25           (c) Notice of the election shall be given and the election  
26 shall be held in the manner prescribed for a bond election by  
27 Subchapter D, Chapter 49, Water Code. (Loc. Gov. Code, Secs.

1 376.467(a), (b), (c), as added Acts 77th Leg., R.S., Ch. 1371.)

2       Sec. 3813.153. BALLOT WORDING. (a) In an election to  
3 adopt a sales and use tax, the ballot shall be prepared to permit  
4 voting for or against the proposition: "The adoption of a local  
5 sales and use tax in the Old Town Spring Improvement District at the  
6 rate of (proposed tax rate)."

7       (b) In an election to change the rate of the sales and use  
8 tax, the ballot shall be prepared to permit voting for or against  
9 the proposition: "The (increase or decrease, as applicable) in the  
10 rate of the local sales and use tax imposed in the Old Town Spring  
11 Improvement District from (tax rate on election date) percent to  
12 (proposed tax rate) percent."

13       (c) In an election to abolish the sales and use tax, the  
14 ballot shall be prepared to permit voting for or against the  
15 proposition: "The abolition of the local sales and use tax in the  
16 Old Town Spring Improvement District." (Loc. Gov. Code, Secs.  
17 376.467(d), (e), (f), as added Acts 77th Leg., R.S., Ch. 1371.)

18       Sec. 3813.154. IMPOSITION, COMPUTATION, ADMINISTRATION,  
19 AND GOVERNANCE OF TAXES. (a) Chapter 323, Tax Code, to the extent  
20 not inconsistent with this chapter, governs the application,  
21 collection, and administration of the sales and use tax and the  
22 excise tax, except that Sections 323.401-323.406 and 323.505, Tax  
23 Code, do not apply. Subtitles A and B, Title 2, and Chapter 151, Tax  
24 Code, govern the administration and enforcement of the sales and  
25 use tax and the excise tax.

26       (b) Chapter 323, Tax Code, does not apply to the use and  
27 allocation of revenues under this chapter.



1 (c) In applying Chapter 323, Tax Code:

2 (1) a reference in that chapter to "the county" means  
3 the district; and

4 (2) a reference in that chapter to "the commissioners  
5 court" means the board. (Loc. Gov. Code, Sec. 376.468, as added  
6 Acts 77th Leg., R.S., Ch. 1371.)

7 Sec. 3813.155. TAX RATES. The district may impose the sales  
8 and use tax and the excise tax in increments of one-eighth of one  
9 percent, with a minimum tax of one-half percent and a maximum tax of  
10 one percent. (Loc. Gov. Code, Sec. 376.470, as added Acts 77th  
11 Leg., R.S., Ch. 1371.)

12 Sec. 3813.156. ABOLITION OF TAX. The board by order and  
13 without an election may abolish the sales and use tax and the excise  
14 tax. (Loc. Gov. Code, Sec. 376.471, as added Acts 77th Leg., R.S.,  
15 Ch. 1371.)

16 Sec. 3813.157. USE OF TAXES. The district may use the  
17 proceeds from the sales and use tax and the excise tax only for the  
18 purposes for which the district was created. (Loc. Gov. Code, Secs.  
19 376.462(a) (part), 376.466(b) (part), 376.472, as added Acts 77th  
20 Leg., R.S., Ch. 1371.)

21 Sec. 3813.158. EFFECTIVE DATE OF TAX OR TAX CHANGE. The  
22 adoption of a tax rate or a change in the tax rate takes effect after  
23 the expiration of the first complete calendar quarter occurring  
24 after the date on which the comptroller receives a notice of the  
25 results of the election. (Loc. Gov. Code, Sec. 376.469, as added  
26 Acts 77th Leg., R.S., Ch. 1371.)

27 Sec. 3813.159. AD VALOREM TAX PROHIBITED. The district may

1 not impose an ad valorem tax on property in the district. (Loc.  
2 Gov. Code, Sec. 376.462(c), as added Acts 77th Leg., R.S., Ch.  
3 1371.)

4 Sec. 3813.160. FEES; CHARGES. The district may:

5 (1) establish and collect user fees, concession fees,  
6 admission fees, rental fees, or other similar fees or charges; and

7 (2) apply the proceeds from those fees or charges for  
8 the enjoyment, sale, rental, or other use of the district's  
9 facilities, services, or improvement projects. (Loc. Gov. Code,  
10 Sec. 376.462(a) (part), as added Acts 77th Leg., R.S., Ch. 1371.)

11 Sec. 3813.161. BORROWING MONEY. The district may borrow  
12 money for the corporate purposes of the district. (Loc. Gov. Code,  
13 Sec. 376.462(a) (part), as added Acts 77th Leg., R.S., Ch. 1371.)

14 Sec. 3813.162. PAYMENT OF EXPENSES. The district may  
15 provide or secure the payment or repayment of any district expense,  
16 including:

17 (1) a district cost relating to an improvement  
18 project;

19 (2) a district contractual obligation or  
20 indebtedness, because of a lease, installment purchase contract, or  
21 other agreement; or

22 (3) a tax, user fee, concession fee, rental fee, or  
23 other revenue or resources of the district. (Loc. Gov. Code, Sec.  
24 376.462(a) (part), as added Acts 77th Leg., R.S., Ch. 1371.)

25 Sec. 3813.163. BONDS. (a) The board may issue bonds as  
26 provided by Subchapter J, Chapter 375, Local Government Code.

27 (b) In addition to the sources described in Subchapter J,

1 Chapter 375, Local Government Code, bonds issued by the district  
2 may be secured and made payable, in whole or in part, by a pledge of  
3 any part of the net proceeds the district receives from a specified  
4 portion of not more than one-half of the district's maximum sales  
5 and use tax amount authorized under Section 3813.152.

6 (c) Sections 375.207 and 375.208, Local Government Code, do  
7 not apply to bonds issued under this section. (Loc. Gov. Code, Sec.  
8 376.474, as added Acts 77th Leg., R.S., Ch. 1371.)

9 [Sections 3813.164-3813.200 reserved for expansion]

#### 10 SUBCHAPTER E. DISSOLUTION

11 Sec. 3813.201. DISSOLUTION BY BOARD ORDER. The board by  
12 order may dissolve the district at any time unless the district has  
13 outstanding indebtedness or contractual obligations. (Loc. Gov.  
14 Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 1371.)

15 Sec. 3813.202. DISSOLUTION BY PETITION OF OWNERS. (a) The  
16 board by order shall dissolve the district if the board receives a  
17 written petition signed by 75 percent or more of the individuals who  
18 own real property in the district.

19 (b) After the date the district is dissolved, the district  
20 may not impose taxes.

21 (c) If on the date the district is dissolved the district  
22 has outstanding liabilities, the board shall, not later than the  
23 30th day after the date of dissolution, adopt a resolution  
24 certifying each outstanding liability. Harris County shall assume  
25 the outstanding liabilities and shall collect the sales and use tax  
26 for the district for the remainder of the calendar year. Harris  
27 County may continue to collect the tax for an additional calendar

1 year if the commissioners court of the county finds that the tax  
2 revenue is needed to retire the district liabilities that were  
3 assumed by the county.

4 (d) The district may continue to operate for a period not to  
5 exceed two months after performing its duties under Subsection (c).  
6 The district is continued in effect for the purpose of performing  
7 those duties.

8 (e) If the district is continued in effect under Subsection  
9 (d), the district is dissolved entirely on the first day of the  
10 month following the month in which the board certifies to the  
11 secretary of state that the district has fully performed its duties  
12 under Subsection (c). (Loc. Gov. Code, Sec. 376.477, as added Acts  
13 77th Leg., R.S., Ch. 1371.)

14 Sec. 3813.203. ADMINISTRATION OF DISTRICT PROPERTY  
15 FOLLOWING DISSOLUTION. (a) After the date the board orders the  
16 dissolution of the district, the board shall transfer ownership of  
17 all district property to Harris County, except as provided by  
18 Subsection (b).

19 (b) If, on the date on which the board orders the  
20 dissolution, more than 50 percent of the district territory is in a  
21 municipality, the board shall transfer ownership of the district's  
22 property to the municipality. (Loc. Gov. Code, Sec. 376.478, as  
23 added Acts 77th Leg., R.S., Ch. 1371.)

#### 24 CHAPTER 3814. ENERGY CORRIDOR MANAGEMENT DISTRICT

##### 25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 3814.001. DEFINITIONS

27 Sec. 3814.002. ENERGY CORRIDOR MANAGEMENT DISTRICT

1    Sec. 3814.003.    PURPOSE; DECLARATION OF INTENT  
 2    Sec. 3814.004.    FINDINGS OF BENEFIT AND PUBLIC PURPOSE  
 3    Sec. 3814.005.    DISTRICT TERRITORY  
 4    Sec. 3814.006.    APPLICABILITY OF OTHER LAW  
 5    Sec. 3814.007.    LIBERAL CONSTRUCTION OF CHAPTER  
 6            [Sections 3814.008-3814.050 reserved for expansion]  
 7            SUBCHAPTER B.   DISTRICT BOARD OF DIRECTORS  
 8    Sec. 3814.051.    BOARD OF DIRECTORS  
 9    Sec. 3814.052.    APPOINTMENT OF VOTING DIRECTORS  
 10   Sec. 3814.053.    NONVOTING DIRECTORS  
 11   Sec. 3814.054.    TERMS  
 12   Sec. 3814.055.    COMPENSATION  
 13   Sec. 3814.056.    CONFLICTS OF INTEREST  
 14   Sec. 3814.057.    INITIAL DIRECTORS  
 15            [Sections 3814.058-3814.100 reserved for expansion]  
 16            SUBCHAPTER C.   POWERS AND DUTIES  
 17   Sec. 3814.101.    ADDITIONAL POWERS OF DISTRICT  
 18   Sec. 3814.102.    NONPROFIT CORPORATION  
 19   Sec. 3814.103.    AGREEMENTS; GRANTS  
 20   Sec. 3814.104.    AUTHORITY TO CONTRACT FOR LAW  
 21            ENFORCEMENT  
 22   Sec. 3814.105.    COMPETITIVE BIDDING  
 23   Sec. 3814.106.    APPROVAL BY CITY OF HOUSTON  
 24   Sec. 3814.107.    ELECTRONIC TRANSMISSIONS  
 25            [Sections 3814.108-3814.150 reserved for expansion]  
 26            SUBCHAPTER D.   FINANCIAL PROVISIONS  
 27   Sec. 3814.151.    PETITION REQUIRED FOR FINANCING SERVICES

1                                   AND IMPROVEMENTS

2   Sec. 3814.152.   DISBURSEMENTS AND TRANSFERS OF MONEY

3   Sec. 3814.153.   MAINTENANCE TAX

4   Sec. 3814.154.   ASSESSMENTS; LIENS FOR ASSESSMENTS

5   Sec. 3814.155.   UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND

6                                   ASSESSMENTS

7   Sec. 3814.156.   OBLIGATIONS

8   Sec. 3814.157.   MUNICIPALITY NOT REQUIRED TO PAY DISTRICT

9                                   OBLIGATIONS

10   Sec. 3814.158.   ELECTIONS REGARDING TAXES OR BONDS

11           [Sections 3814.159-3814.200 reserved for expansion]

12                                   SUBCHAPTER E.   DISSOLUTION

13   Sec. 3814.201.   DISSOLUTION OF DISTRICT WITH OUTSTANDING

14                                   DEBT

15           CHAPTER 3814.   ENERGY CORRIDOR MANAGEMENT DISTRICT

16                                   SUBCHAPTER A.   GENERAL PROVISIONS

17           Sec. 3814.001.   DEFINITIONS.   In this chapter:

18                   (1)   "Board" means the board of directors of the

19   district.

20                   (2)   "District" means the Energy Corridor Management

21   District.   (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts

22   77th Leg., R.S., Ch. 1376.)

23           Sec. 3814.002.   ENERGY CORRIDOR MANAGEMENT DISTRICT.   The

24   Energy Corridor Management District is a special district created

25   under Section 59, Article XVI, Texas Constitution.   (Loc. Gov.

26   Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1376.)

27           Sec. 3814.003.   PURPOSE; DECLARATION OF INTENT.   (a)   The

1 creation of the district is essential to accomplish the purposes of  
2 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
3 Texas Constitution, and other public purposes stated in this  
4 chapter.

5 (b) The creation of the district is necessary to promote,  
6 develop, encourage, and maintain employment, commerce,  
7 transportation, housing, tourism, recreation, the arts,  
8 entertainment, economic development, safety, and the public  
9 welfare in the area of the district.

10 (c) This chapter and the creation of the district may not be  
11 interpreted to relieve Harris County or the City of Houston from  
12 providing the level of services provided, as of June 16, 2001, to  
13 the area in the district. The district is created to supplement and  
14 not to supplant the county or city services provided in the area in  
15 the district. (Loc. Gov. Code, Sec. 376.452, as added Acts 77th  
16 Leg., R.S., Ch. 1376.)

17 Sec. 3814.004. FINDINGS OF BENEFIT AND PUBLIC  
18 PURPOSE. (a) The district is created to serve a public use and  
19 benefit.

20 (b) All land and other property included in the district  
21 will benefit from the improvements and services to be provided by  
22 the district under powers conferred by Sections 52 and 52-a,  
23 Article III, and Section 59, Article XVI, Texas Constitution, and  
24 other powers granted under this chapter.

25 (c) The creation of the district is in the public interest  
26 and is essential to:

27 (1) further the public purposes of developing and

1 diversifying the economy of the state;

2 (2) eliminate unemployment and underemployment; and

3 (3) develop or expand transportation and commerce.

4 (d) The district will:

5 (1) promote the health, safety, and general welfare of  
6 residents, employers, employees, visitors, and consumers in the  
7 district, and of the public;

8 (2) provide needed funding to preserve, maintain, and  
9 enhance the economic health and vitality of the district as a  
10 community and business center; and

11 (3) promote the health, safety, welfare, and enjoyment  
12 of the public by providing pedestrian ways and by landscaping and  
13 developing certain areas in the district, which are necessary for  
14 the restoration, preservation, and enhancement of scenic beauty.

15 (e) Pedestrian ways along or across a street, whether at  
16 grade or above or below the surface, and street lighting, street  
17 landscaping, and street art objects are parts of and necessary  
18 components of a street and are considered to be a street or road  
19 improvement.

20 (f) The district will not act as the agent or  
21 instrumentality of any private interest even though the district  
22 will benefit many private interests as well as the public. (Loc.  
23 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1376.)

24 Sec. 3814.005. DISTRICT TERRITORY. (a) The district is  
25 composed of the territory described by Chapter 1376, Acts of the  
26 77th Legislature, Regular Session, 2001, enacting former Section  
27 376.454, Local Government Code, as that territory may have been



1 modified under:

2 (1) Subchapter J, Chapter 49, Water Code; or

3 (2) other law.

4 (b) The boundaries and field notes of the district contained  
5 in Chapter 1376, Acts of the 77th Legislature, Regular Session,  
6 2001, enacting former Section 376.454, Local Government Code, form  
7 a closure. A mistake in the field notes or in copying the field  
8 notes in the legislative process does not affect the district's:

9 (1) organization, existence, or validity;

10 (2) right to issue any type of bond for a purpose for  
11 which the district is created or to pay the principal of and  
12 interest on a bond;

13 (3) right to impose or collect an assessment or tax; or

14 (4) legality or operation. (Loc. Gov. Code, Sec.  
15 376.455, as added Acts 77th Leg., R.S., Ch. 1376; New.)

16 Sec. 3814.006. APPLICABILITY OF OTHER LAW. Except as  
17 otherwise provided by this chapter, Chapter 375, Local Government  
18 Code, applies to the district. (Loc. Gov. Code, Sec. 376.457, as  
19 added Acts 77th Leg., R.S., Ch. 1376.)

20 Sec. 3814.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
21 chapter shall be liberally construed in conformity with the  
22 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
23 376.458, as added Acts 77th Leg., R.S., Ch. 1376.)

24 [Sections 3814.008-3814.050 reserved for expansion]

25 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

26 Sec. 3814.051. BOARD OF DIRECTORS. The district is  
27 governed by a board of:

1           (1) nine voting directors appointed under Section  
2 3814.052; and

3           (2) nonvoting directors as provided by Section  
4 3814.053. (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th  
5 Leg., R.S., Ch. 1376.)

6           Sec. 3814.052. APPOINTMENT OF VOTING DIRECTORS. (a) The  
7 mayor and members of the governing body of the City of Houston shall  
8 appoint voting directors from persons recommended by the board. A  
9 person is appointed if a majority of the members and the mayor vote  
10 to appoint that person.

11          (b) A person may not be appointed to the board if the  
12 appointment of that person would result in fewer than two-thirds of  
13 the directors residing in the City of Houston. (Loc. Gov. Code,  
14 Sec. 376.460, as added Acts 77th Leg., R.S., Ch. 1376.)

15          Sec. 3814.053. NONVOTING DIRECTORS. (a) The following  
16 persons serve as nonvoting directors:

17           (1) the directors of the parks and recreation,  
18 planning and development, public works, and civic center  
19 departments of the City of Houston;

20           (2) the chief of police of the City of Houston;

21           (3) the director of the engineering division of the  
22 Harris County department of public infrastructure;

23           (4) Harris County's general manager of the  
24 Metropolitan Transit Authority of Harris County, Texas;

25           (5) the president of each institution of higher  
26 learning located in the district; and

27           (6) the Houston district engineer for the Texas

1 Department of Transportation.

2 (b) If an agency, department, or division described by  
3 Subsection (a) is consolidated, renamed, or changed, the board may  
4 appoint a director of the consolidated, renamed, or changed agency,  
5 department, or division as a nonvoting director. If an agency,  
6 department, or division described by Subsection (a) is abolished,  
7 the board may appoint a representative of another agency,  
8 department, or division that performs duties comparable to those  
9 performed by the abolished entity. (Loc. Gov. Code, Sec. 376.461,  
10 as added Acts 77th Leg., R.S., Ch. 1376.)

11 Sec. 3814.054. TERMS. The voting directors serve staggered  
12 terms of four years, with four directors' terms expiring June 1 of  
13 an odd-numbered year and five directors' terms expiring June 1 of  
14 the following odd-numbered year. (Loc. Gov. Code, Sec. 376.459(b),  
15 as added Acts 77th Leg., R.S., Ch. 1376.)

16 Sec. 3814.055. COMPENSATION. A voting director may receive  
17 compensation as provided by Section 49.060, Water Code. (Loc. Gov.  
18 Code, Sec. 376.459(c), as added Acts 77th Leg., R.S., Ch. 1376.)

19 Sec. 3814.056. CONFLICTS OF INTEREST. (a) Except as  
20 provided by this section:

21 (1) a director may participate in all board votes and  
22 decisions; and

23 (2) Chapter 171, Local Government Code, governs  
24 conflicts of interest for directors.

25 (b) Section 171.004, Local Government Code, does not apply  
26 to the district. A director who has a substantial interest in a  
27 business or charitable entity that will receive a pecuniary benefit

1 from a board action shall file an affidavit with the board secretary  
2 declaring the interest. Another affidavit is not required if the  
3 director's interest changes.

4 (c) After the affidavit is filed, the director may  
5 participate in a discussion or vote on that action if:

6 (1) a majority of the directors have a similar  
7 interest in the same entity; or

8 (2) all other similar business or charitable entities  
9 in the district will receive a similar pecuniary benefit.

10 (d) A director who is also an officer or employee of a public  
11 entity may not participate in a discussion of or vote on a matter  
12 regarding a contract with that same public entity.

13 (e) For purposes of this section, a director has a  
14 substantial interest in a charitable entity in the same manner that  
15 a person would have a substantial interest in a business entity  
16 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
17 Sec. 376.462, as added Acts 77th Leg., R.S., Ch. 1376.)

18 Sec. 3814.057. INITIAL DIRECTORS. (a) The initial board  
19 consists of the following persons:

Pos. No.	Name of Director
1	Robert Becker
2	Tom Blackwell
3	Lynn Grafing
4	Rick Rice
5	David W. Hightower
6	Mike Turner
7	Ned Holmes

1                   8                   Roger H. Hord

2                   9                   Cathy Wining

3           (b) The terms of the initial directors appointed for  
4 positions 1 through 5 expire June 1, 2005, and the terms of the  
5 initial directors appointed for positions 6 through 9 expire June  
6 1, 2003.

7           (c) Section 3814.052 does not apply to this section.

8           (d) This section expires September 1, 2006. (Loc. Gov.  
9 Code, Sec. 376.477, as added Acts 77th Leg., R.S., Ch. 1376.)

10           [Sections 3814.058-3814.100 reserved for expansion]

11                               SUBCHAPTER C. POWERS AND DUTIES

12           Sec. 3814.101. ADDITIONAL POWERS OF DISTRICT. The district  
13 may exercise the powers given to:

14                   (1) a corporation created under Section 4B,  
15 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
16 Civil Statutes); and

17                   (2) a housing finance corporation created under  
18 Chapter 394, Local Government Code, to provide housing or  
19 residential development projects in the district. (Loc. Gov. Code,  
20 Sec. 376.464, as added Acts 77th Leg., R.S., Ch. 1376.)

21           Sec. 3814.102. NONPROFIT CORPORATION. (a) The board by  
22 resolution may authorize the creation of a nonprofit corporation to  
23 assist and act for the district in implementing a project or  
24 providing a service authorized by this chapter.

25           (b) The nonprofit corporation:

26                   (1) has each power of and is considered for purposes of  
27 this chapter to be a local government corporation created under

1 Chapter 431, Transportation Code; and

2 (2) may implement any project and provide any service  
3 authorized by this chapter.

4 (c) The board shall appoint the board of directors of the  
5 nonprofit corporation. The board of directors of the nonprofit  
6 corporation shall serve in the same manner as the board of directors  
7 of a local government corporation created under Chapter 431,  
8 Transportation Code. (Loc. Gov. Code, Sec. 376.466, as added Acts  
9 77th Leg., R.S., Ch. 1376.)

10 Sec. 3814.103. AGREEMENTS; GRANTS. (a) The district may  
11 make an agreement with or accept a gift, grant, or loan from any  
12 person.

13 (b) The implementation of a project is a governmental  
14 function or service for the purposes of Chapter 791, Government  
15 Code. (Loc. Gov. Code, Secs. 376.465(a), (b), as added Acts 77th  
16 Leg., R.S., Ch. 1376.)

17 Sec. 3814.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
18 To protect the public interest, the district may contract with  
19 Harris County or the City of Houston to provide law enforcement  
20 services in the district for a fee. (Loc. Gov. Code, Sec.  
21 376.465(c), as added Acts 77th Leg., R.S., Ch. 1376.)

22 Sec. 3814.105. COMPETITIVE BIDDING. Section 375.221, Local  
23 Government Code, applies to the district only for a contract that  
24 has a value of more than \$25,000. (Loc. Gov. Code, Sec. 376.475, as  
25 added Acts 77th Leg., R.S., Ch. 1376.)

26 Sec. 3814.106. APPROVAL BY CITY OF HOUSTON. (a) Except as  
27 provided by Subsection (b), the district must obtain approval from

1 the City of Houston's governing body:

2 (1) for the issuance of bonds for each improvement  
3 project;

4 (2) of the plans and specifications of the improvement  
5 project financed by the bond; and

6 (3) of the plans and specifications of an improvement  
7 project related to:

8 (A) the use of land owned by the City of Houston;

9 (B) an easement granted by the City of Houston;

10 or

11 (C) a right-of-way of a street, road, or highway.

12 (b) If the district obtains the approval of the City of  
13 Houston's governing body of a capital improvements budget for a  
14 period not to exceed five years, the district may finance the  
15 capital improvements and issue bonds specified in the budget  
16 without further approval from the City of Houston. (Loc. Gov. Code,  
17 Secs. 376.473(a), (b), as added Acts 77th Leg., R.S., Ch. 1376.)

18 Sec. 3814.107. ELECTRONIC TRANSMISSIONS. (a) The district  
19 may acquire, operate, or charge fees for the use of district  
20 conduits for:

21 (1) another person's:

22 (A) telecommunications network;

23 (B) fiber-optic cable; or

24 (C) electronic transmission line; or

25 (2) any other type of transmission line or supporting  
26 facility.

27 (b) The district may not require a person to use a district

1 conduit. (Loc. Gov. Code, Sec. 376.463, as added Acts 77th Leg.,  
2 R.S., Ch. 1376.)

3 [Sections 3814.108-3814.150 reserved for expansion]

4 SUBCHAPTER D. FINANCIAL PROVISIONS

5 Sec. 3814.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
6 IMPROVEMENTS. (a) The board may not finance a service or an  
7 improvement project under this chapter unless a written petition  
8 requesting that service or improvement is filed with the board.

9 (b) The petition must be signed by:

10 (1) the owners of a majority of the assessed value of  
11 real property in the district according to the most recent  
12 certified tax appraisal roll for Harris County; or

13 (2) at least 25 owners of land in the district, if more  
14 than 25 persons own property in the district according to the most  
15 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
16 Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch. 1376.)

17 Sec. 3814.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
18 board by resolution shall establish the number of directors'  
19 signatures and the procedure required for a disbursement or  
20 transfer of the district's money. (Loc. Gov. Code, Sec. 376.474, as  
21 added Acts 77th Leg., R.S., Ch. 1376.)

22 Sec. 3814.153. MAINTENANCE TAX. (a) If authorized at an  
23 election held in accordance with Section 3814.158, the district may  
24 impose an annual ad valorem tax on taxable property in the district  
25 to:

26 (1) maintain and operate the district and the  
27 improvements constructed or acquired by the district; or



1           (2) provide a service.

2           (b) The board shall determine the tax rate. (Loc. Gov.  
3 Code, Sec. 376.469, as added Acts 77th Leg., R.S., Ch. 1376.)

4           Sec. 3814.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
5 The board by resolution may impose and collect an assessment for any  
6 purpose authorized by this chapter.

7           (b) An assessment, a reassessment, or an assessment  
8 resulting from an addition to or correction of the assessment roll  
9 by the district, penalties and interest on an assessment or  
10 reassessment, an expense of collection, and reasonable attorney's  
11 fees incurred by the district:

12                 (1) are a first and prior lien against the property  
13 assessed;

14                 (2) are superior to any other lien or claim other than  
15 a lien or claim for county, school district, or municipal ad valorem  
16 taxes; and

17                 (3) are the personal liability of and a charge against  
18 the owners of the property even if the owners are not named in the  
19 assessment proceeding.

20           (c) The lien is effective from the date of the board's  
21 resolution imposing the assessment until the date the assessment is  
22 paid. The board may enforce the lien in the same manner that the  
23 board may enforce an ad valorem tax lien against real property.  
24 (Loc. Gov. Code, Sec. 376.470, as added Acts 77th Leg., R.S., Ch.  
25 1376.)

26           Sec. 3814.155. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
27 ASSESSMENTS. The district may not impose an impact fee or

1 assessment on the property, including the equipment,  
2 rights-of-way, facilities, or improvements, of:

3 (1) an electric utility or a power generation company  
4 as defined by Section 31.002, Utilities Code;

5 (2) a gas utility as defined by Section 101.003 or  
6 121.001, Utilities Code; or

7 (3) a person that provides to the public cable  
8 television or advanced services. (Loc. Gov. Code, Sec. 376.471, as  
9 added Acts 77th Leg., R.S., Ch. 1376.)

10 Sec. 3814.156. OBLIGATIONS. (a) The district may issue  
11 bonds or other obligations payable in whole or in part from ad  
12 valorem taxes, assessments, impact fees, revenue, grants, or other  
13 money of the district, or any combination of those sources of money,  
14 to pay for any authorized purpose of the district.

15 (b) In exercising the district's borrowing power, the  
16 district may issue a bond or other obligation in the form of a bond,  
17 note, certificate of participation or other instrument evidencing a  
18 proportionate interest in payments to be made by the district, or  
19 other type of obligation. (Loc. Gov. Code, Sec. 376.472, as added  
20 Acts 77th Leg., R.S., Ch. 1376.)

21 Sec. 3814.157. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
22 OBLIGATIONS. Except as provided by Section 375.263, Local  
23 Government Code, a municipality is not required to pay a bond, note,  
24 or other obligation of the district. (Loc. Gov. Code, Sec.  
25 376.473(c), as added Acts 77th Leg., R.S., Ch. 1376.)

26 Sec. 3814.158. ELECTIONS REGARDING TAXES OR  
27 BONDS. (a) In addition to the elections required under

1 Subchapter L, Chapter 375, Local Government Code, the district must  
2 hold an election in the manner provided by that subchapter to obtain  
3 voter approval before the district may:

4 (1) impose a maintenance tax; or  
5 (2) issue a bond payable from ad valorem taxes or  
6 assessments.

7 (b) The board may include more than one purpose in a single  
8 proposition at an election. (Loc. Gov. Code, Sec. 376.468, as added  
9 Acts 77th Leg., R.S., Ch. 1376.)

10 [Sections 3814.159-3814.200 reserved for expansion]

#### 11 SUBCHAPTER E. DISSOLUTION

12 Sec. 3814.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
13 DEBT. (a) The board may dissolve the district regardless of  
14 whether the district has debt. Section 375.264, Local Government  
15 Code, does not apply to the district.

16 (b) If the district has debt when it is dissolved, the  
17 district shall remain in existence solely for the purpose of  
18 discharging its debts. The dissolution is effective when all debts  
19 have been discharged. (Loc. Gov. Code, Sec. 376.476, as added Acts  
20 77th Leg., R.S., Ch. 1376.)

### 21 CHAPTER 3815. GREATER SOUTHEAST MANAGEMENT DISTRICT

#### 22 SUBCHAPTER A. GENERAL PROVISIONS

23 Sec. 3815.001. DEFINITIONS

24 Sec. 3815.002. GREATER SOUTHEAST MANAGEMENT DISTRICT

25 Sec. 3815.003. PURPOSE; DECLARATION OF INTENT

26 Sec. 3815.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

27 Sec. 3815.005. DISTRICT TERRITORY

1   Sec. 3815.006.   APPLICABILITY OF OTHER LAW  
2   Sec. 3815.007.   RELATION TO OTHER LAW  
3   Sec. 3815.008.   LIBERAL CONSTRUCTION OF CHAPTER  
4                   [Sections 3815.009-3815.050 reserved for expansion]  
5                   SUBCHAPTER B.   BOARD OF DIRECTORS  
6   Sec. 3815.051.   BOARD OF DIRECTORS; TERMS  
7   Sec. 3815.052.   APPOINTMENT OF DIRECTORS  
8   Sec. 3815.053.   EX OFFICIO DIRECTORS  
9   Sec. 3815.054.   CONFLICTS OF INTEREST  
10                  [Sections 3815.055-3815.100 reserved for expansion]  
11                  SUBCHAPTER C.   POWERS AND DUTIES  
12   Sec. 3815.101.   DISTRICT POWERS  
13   Sec. 3815.102.   NONPROFIT CORPORATION  
14   Sec. 3815.103.   CONTRACTS; GRANTS; DONATIONS  
15   Sec. 3815.104.   COMPETITIVE BIDDING  
16   Sec. 3815.105.   ANNEXATION  
17                  [Sections 3815.106-3815.150 reserved for expansion]  
18                  SUBCHAPTER D.   FINANCIAL PROVISIONS  
19   Sec. 3815.151.   PETITION REQUIRED FOR FINANCING SERVICES  
20                                  AND IMPROVEMENTS  
21   Sec. 3815.152.   DISBURSEMENTS AND TRANSFERS OF MONEY  
22   Sec. 3815.153.   BOARD VOTE REQUIRED TO IMPOSE TAXES,  
23                                  ASSESSMENTS, OR IMPACT FEES  
24   Sec. 3815.154.   AUTHORITY TO IMPOSE TAXES, ASSESSMENTS, AND  
25                                  IMPACT FEES  
26   Sec. 3815.155.   MAINTENANCE TAX  
27   Sec. 3815.156.   ASSESSMENTS; LIENS FOR ASSESSMENTS

1 Sec. 3815.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
2 ASSESSMENTS

3 Sec. 3815.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

4 Sec. 3815.159. ELECTIONS REGARDING TAXES OR BONDS

5 [Sections 3815.160-3815.200 reserved for expansion]

6 SUBCHAPTER E. DISSOLUTION

7 Sec. 3815.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
8 DEBT

9 CHAPTER 3815. GREATER SOUTHEAST MANAGEMENT DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 3815.001. DEFINITIONS. In this subchapter:

12 (1) "Board" means the board of directors of the  
13 district.

14 (2) "District" means the Greater Southeast Management  
15 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
16 77th Leg., R.S., Ch. 1476.)

17 Sec. 3815.002. GREATER SOUTHEAST MANAGEMENT DISTRICT. A  
18 special district known as the "Greater Southeast Management  
19 District" is a political subdivision of this state. (Loc. Gov.  
20 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1476.)

21 Sec. 3815.003. PURPOSE; DECLARATION OF INTENT. (a) The  
22 creation of the district is essential to accomplish the purposes of  
23 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
24 Texas Constitution, and other public purposes stated in this  
25 chapter. By creating the district and in authorizing Harris  
26 County, the City of Houston, and other political subdivisions to  
27 contract with the district, the legislature has established a

1 program to accomplish the public purposes set out in Section 52-a,  
2 Article III, Texas Constitution.

3 (b) The creation of the district is necessary to promote,  
4 develop, encourage, and maintain employment, commerce,  
5 transportation, housing, tourism, recreation, the arts,  
6 entertainment, economic development, safety, and the public  
7 welfare in the southeast area of the city of Houston.

8 (c) This chapter and the creation of the district may not be  
9 interpreted to relieve Harris County or the City of Houston from  
10 providing the level of services provided as of June 17, 2001, to the  
11 area in the district or to release the county or the city from the  
12 obligations of each entity to provide services to that area. The  
13 district is created to supplement and not to supplant the county or  
14 city services provided in the area in the district. (Loc. Gov.  
15 Code, Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
16 1476.)

17 Sec. 3815.004. FINDINGS OF BENEFIT AND PUBLIC  
18 PURPOSE. (a) The district is created to serve a public use and  
19 benefit.

20 (b) All land and other property included in the district  
21 will benefit from the improvements and services to be provided by  
22 the district under powers conferred by Sections 52 and 52-a,  
23 Article III, and Section 59, Article XVI, Texas Constitution, and  
24 other powers granted under this chapter.

25 (c) The creation of the district is in the public interest  
26 and is essential to:

27 (1) further the public purposes of developing and

1 diversifying the economy of the state;

2 (2) eliminate unemployment and underemployment; and

3 (3) develop or expand transportation and commerce.

4 (d) The district will:

5 (1) promote the health, safety, and general welfare of  
6 residents, employers, employees, visitors, and consumers in the  
7 district, and of the public;

8 (2) provide money to preserve, maintain, and enhance  
9 the economic health and vitality of the district as a community and  
10 business center; and

11 (3) promote the health, safety, welfare, and enjoyment  
12 of the public by providing pedestrian ways and by landscaping and  
13 developing certain areas in the district, which are necessary for  
14 the restoration, preservation, and enhancement of scenic and  
15 aesthetic beauty.

16 (e) Pedestrian ways along or across a street, whether at  
17 grade or above or below the surface, and street lighting, street  
18 landscaping, and street art objects are parts of and necessary  
19 components of a street and are considered to be a street or road  
20 improvement.

21 (f) The district will not act as the agent or  
22 instrumentality of any private interest even though the district  
23 will benefit many private interests as well as the public. (Loc.  
24 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1476.)

25 Sec. 3815.005. DISTRICT TERRITORY. (a) The district is  
26 composed of the territory described by Section 1, Chapter 1476,  
27 Acts of the 77th Legislature, Regular Session, 2001, enacting

1 former Section 376.454, Local Government Code, as that territory  
2 may have been modified under:

3 (1) Section 3815.105 or its predecessor statute,  
4 former Section 376.479, Local Government Code, as added by Chapter  
5 1476, Acts of the 77th Legislature, Regular Session, 2001;

6 (2) Subchapter J, Chapter 49, Water Code; or

7 (3) other law.

8 (b) The boundaries and field notes of the district contained  
9 in Section 1, Chapter 1476, Acts of the 77th Legislature, Regular  
10 Session, 2001, enacting former Section 376.454, Local Government  
11 Code, form a closure. A mistake in the field notes or in copying the  
12 field notes in the legislative process does not in any way affect:

13 (1) the district's organization, existence, and  
14 validity;

15 (2) the district's right to issue any type of bond,  
16 including a refunding bond, for a purpose for which the district is  
17 created or to pay the principal of and interest on the bond;

18 (3) the district's right to impose and collect an  
19 assessment or tax; or

20 (4) the legality or operation of the district or the  
21 board. (Loc. Gov. Code, Sec. 376.455, as added Acts 77th Leg.,  
22 R.S., Ch. 1476; New.)

23 Sec. 3815.006. APPLICABILITY OF OTHER LAW. Except as  
24 otherwise provided by this chapter, Chapter 375, Local Government  
25 Code, applies to the district, the board, and district employees.  
26 (Loc. Gov. Code, Secs. 376.457, 376.461 (part), as added Acts 77th  
27 Leg., R.S., Ch. 1476.)



1           Sec. 3815.007. RELATION TO OTHER LAW.       This chapter  
2 prevails over any provision of general law, including a law to which  
3 this chapter refers, that is in conflict with or is inconsistent  
4 with this chapter. (Loc. Gov. Code, Sec. 376.466 (part), as added  
5 Acts 77th Leg., R.S., Ch. 1476.)

6           Sec. 3815.008. LIBERAL CONSTRUCTION OF CHAPTER.   This  
7 chapter shall be liberally construed in conformity with the  
8 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
9 376.458, as added Acts 77th Leg., R.S., Ch. 1476.)

10           [Sections 3815.009-3815.050 reserved for expansion]

11                           SUBCHAPTER B. BOARD OF DIRECTORS

12           Sec. 3815.051. BOARD OF DIRECTORS; TERMS. (a) The  
13 district is governed by a board of 21 directors who serve staggered  
14 terms of four years, with 10 directors' terms expiring June 1 of an  
15 odd-numbered year and 11 directors' terms expiring June 1 of the  
16 following odd-numbered year.

17           (b) The board by resolution may increase or decrease the  
18 number of directors on the board, but only if it is in the best  
19 interest of the district to do so. The board may not:

20                   (1) increase the number of directors to more than 30;

21 or

22                   (2) decrease the number of directors to fewer than 9.

23 (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th Leg., R.S.,  
24 Ch. 1476.)

25           Sec. 3815.052. APPOINTMENT OF DIRECTORS.   The mayor and  
26 members of the governing body of the City of Houston shall appoint  
27 directors from persons recommended by the board who meet the

1 qualifications prescribed by Subchapter D, Chapter 375, Local  
2 Government Code. (Loc. Gov. Code, Sec. 376.460 (part), as added  
3 Acts 77th Leg., R.S., Ch. 1476.)

4 Sec. 3815.053. EX OFFICIO DIRECTORS. (a) The following  
5 persons serve as nonvoting ex officio directors:

6 (1) the directors of the parks and recreation,  
7 planning and development, public works, and civic center  
8 departments of the City of Houston;

9 (2) the chief of police of the City of Houston;

10 (3) the general manager of the Metropolitan Transit  
11 Authority of Harris County, Texas; and

12 (4) the president of each institution of higher  
13 learning located in the district.

14 (b) If a department described by Subsection (a) is  
15 consolidated, renamed, or changed, the board may appoint a director  
16 of the consolidated, renamed, or changed department as a nonvoting  
17 ex officio director. If a department described by Subsection (a) is  
18 abolished, the board may appoint as a director a representative of  
19 another department of the City of Houston that performs duties  
20 comparable to those performed by the abolished department.

21 (c) The board may appoint the presiding officer of a  
22 nonprofit corporation actively involved in activities in the  
23 southeast area of the city of Houston to serve as a nonvoting ex  
24 officio director. (Loc. Gov. Code, Sec. 376.463, as added Acts  
25 77th Leg., R.S., Ch. 1476.)

26 Sec. 3815.054. CONFLICTS OF INTEREST. (a) Except as  
27 provided by this section:

1           (1) a director may participate in all board votes and  
2 decisions; and

3           (2) Chapter 171, Local Government Code, governs  
4 conflicts of interest of directors.

5           (b) Section 171.004, Local Government Code, does not apply  
6 to the district. A director who has a substantial interest in a  
7 business or charitable entity that will receive a pecuniary benefit  
8 from a board action shall file an affidavit with the board secretary  
9 declaring the interest. Another affidavit is not required if the  
10 director's interest changes.

11          (c) After the affidavit is filed, the director may  
12 participate in a discussion or vote on that action if:

13           (1) a majority of the directors have a similar  
14 interest in the same entity; or

15           (2) all other similar business or charitable entities  
16 in the district will receive a similar pecuniary benefit.

17          (d) A director who is also an officer or employee of a public  
18 entity may not participate in a discussion of or vote on a matter  
19 regarding a contract with that same public entity.

20          (e) For purposes of this section, a director has a  
21 substantial interest in a charitable entity in the same manner that  
22 a person would have a substantial interest in a business entity  
23 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
24 Sec. 376.464, as added Acts 77th Leg., R.S., Ch. 1476.)

25           [Sections 3815.055-3815.100 reserved for expansion]

#### 26                   SUBCHAPTER C. POWERS AND DUTIES

27          Sec. 3815.101. DISTRICT POWERS. The district has:

1           (1) all powers necessary to accomplish the purposes  
2 for which the district was created;

3           (2) the powers given to a corporation under Section  
4 4B, the Development Corporation Act of 1979 (Article 5190.6,  
5 Vernon's Texas Civil Statutes), and the power to own, operate,  
6 acquire, construct, lease, improve, and maintain projects; and

7           (3) the powers given to a housing finance corporation  
8 created under Chapter 394, Local Government Code, to provide  
9 housing or residential development projects in the district. (Loc.  
10 Gov. Code, Sec. 376.461 (part), as added Acts 77th Leg., R.S., Ch.  
11 1476.)

12           Sec. 3815.102. NONPROFIT CORPORATION. (a) The board by  
13 resolution may authorize the creation of a nonprofit corporation to  
14 assist and act for the district in implementing a project or  
15 providing a service authorized by this chapter.

16           (b) The nonprofit corporation:

17           (1) has each power of and is considered for purposes of  
18 this chapter to be a local government corporation created under  
19 Chapter 431, Transportation Code; and

20           (2) may implement any project and provide any service  
21 authorized by this chapter.

22           (c) The board shall appoint the board of directors of the  
23 nonprofit corporation. ( The board of directors of the nonprofit  
24 corporation shall serve in the same manner as, for the same term as,  
25 and on the conditions of the board of directors of a local  
26 government corporation created under Chapter 431, Transportation  
27 Code. (Loc. Gov. Code, Sec. 376.468, as added Acts 77th Leg., R.S.,

1 Ch. 1476.)

2 Sec. 3815.103. CONTRACTS; GRANTS; DONATIONS. (a) To  
3 protect the public interest, the district may contract with Harris  
4 County or the City of Houston for the county or city to provide law  
5 enforcement services in the district for a fee.

6 (b) Harris County, the City of Houston, or another political  
7 subdivision of this state, without further authorization, may  
8 contract with the district to implement a project of the district or  
9 assist the district in providing a service authorized under this  
10 chapter. A contract under this subsection may:

11 (1) be for a period on which the parties agree;

12 (2) include terms on which the parties agree;

13 (3) be payable from taxes or any other source of  
14 revenue that may be available for that project or service; or

15 (4) provide terms under which taxes or other revenue  
16 collected at a district project or from a person using or purchasing  
17 a commodity or service at a district project may be paid or rebated  
18 to the district.

19 (c) The district may enter into a contract, lease, or other  
20 agreement with or make or accept a grant or loan to or from, or  
21 accept donations from, any person, including:

22 (1) the United States;

23 (2) this state or a state agency;

24 (3) any political subdivision of this state; or

25 (4) a public or private corporation, including a  
26 nonprofit corporation created by the board under this subchapter.

27 (d) The district may perform all acts necessary for the full

1 exercise of the powers vested in the district on terms and for the  
2 period the board determines advisable.

3 (e) The implementation of a project is a governmental  
4 function or service for purposes of Chapter 791, Government Code.  
5 (Loc. Gov. Code, Secs. 376.477, 376.480, as added Acts 77th Leg.,  
6 R.S., Ch. 1476.)

7 Sec. 3815.104. COMPETITIVE BIDDING. Section 375.221, Local  
8 Government Code, does not apply to a district contract for \$25,000  
9 or less. (Loc. Gov. Code, Sec. 376.478, as added Acts 77th Leg.,  
10 R.S., Ch. 1476.)

11 Sec. 3815.105. ANNEXATION. In addition to the authority to  
12 annex territory under Subchapter C, Chapter 375, Local Government  
13 Code, the district has the authority to annex territory located in a  
14 reinvestment zone created by the City of Houston under Chapter 311,  
15 Tax Code, if the city's governing body consents to the annexation.  
16 (Loc. Gov. Code, Sec. 376.479, as added Acts 77th Leg., R.S., Ch.  
17 1476.)

18 [Sections 3815.106-3815.150 reserved for expansion]

#### 19 SUBCHAPTER D. FINANCIAL PROVISIONS

20 Sec. 3815.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
21 IMPROVEMENTS. (a) The board may not finance a service or an  
22 improvement project under this chapter unless a written petition  
23 requesting that service or improvement is filed with the board.

24 (b) The petition must be signed by:

25 (1) the owners of a majority of the assessed value of  
26 real property in the district according to the most recent  
27 certified tax appraisal roll for Harris County; or

1           (2) at least 50 owners of land in the district, if more  
2 than 50 persons own property in the district according to the most  
3 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
4 Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch. 1476.)

5           Sec. 3815.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
6 board by resolution shall establish the number of directors'  
7 signatures and the procedure required for a disbursement or  
8 transfer of the district's money. (Loc. Gov. Code, Sec. 376.469, as  
9 added Acts 77th Leg., R.S., Ch. 1476.)

10          Sec. 3815.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
11 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
12 or impact fee requires a vote of a majority of the directors  
13 serving. (Loc. Gov. Code, Sec. 376.459(b) (part), as added Acts  
14 77th Leg., R.S., Ch. 1476.)

15          Sec. 3815.154. AUTHORITY TO IMPOSE TAXES, ASSESSMENTS, AND  
16 IMPACT FEES. The district may impose an ad valorem tax, assessment,  
17 or impact fee as provided by Chapter 375, Local Government Code, to  
18 provide an improvement or service for a project or activity the  
19 district may acquire, construct, improve, or provide under this  
20 chapter. (Loc. Gov. Code, Sec. 376.461 (part), as added Acts 77th  
21 Leg., R.S., Ch. 1476.)

22          Sec. 3815.155. MAINTENANCE TAX. (a) If authorized at an  
23 election held in accordance with Section 3815.159, the district may  
24 impose an annual ad valorem tax on taxable property in the district  
25 to:

26           (1) maintain and operate the district and the  
27 improvements constructed or acquired by the district; or

1           (2) provide a service.

2           (b) The board shall determine the tax rate. (Loc. Gov.  
3 Code, Sec. 376.475, as added Acts 77th Leg., R.S., Ch. 1476.)

4           Sec. 3815.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
5 The board by resolution may impose and collect an assessment for any  
6 purpose authorized by this chapter.

7           (b) An assessment, a reassessment, or an assessment  
8 resulting from an addition to or correction of the assessment roll  
9 by the district, penalties and interest on an assessment or  
10 reassessment, an expense of collection, and reasonable attorney's  
11 fees incurred by the district:

12           (1) are a first and prior lien against the property  
13 assessed;

14           (2) are superior to any other lien or claim other than  
15 a lien or claim for county, school district, or municipal ad valorem  
16 taxes; and

17           (3) are the personal liability of and a charge against  
18 the owners of the property even if the owners are not named in the  
19 assessment proceeding.

20           (c) The lien is effective from the date of the board's  
21 resolution imposing the assessment until the date the assessment is  
22 paid. The board may enforce the lien in the same manner that the  
23 board may enforce an ad valorem tax lien against real property.

24           (d) The board may correct, add to, or delete assessments  
25 from its assessment rolls after notice and hearing as provided by  
26 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
27 Secs. 376.461 (part), 376.471, as added Acts 77th Leg., R.S., Ch.



1 1476.)

2 Sec. 3815.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
3 ASSESSMENTS. (a) The district may not impose a tax, impact fee,  
4 or assessment on a residential property or condominium.

5 (b) The district may not impose an impact fee or assessment  
6 on the property, equipment, or facilities of a person who provides  
7 to the public cable television, gas, light, power, telephone,  
8 sewage, or water service. (Loc. Gov. Code, Sec. 376.472, as added  
9 Acts 77th Leg., R.S., Ch. 1476.)

10 Sec. 3815.158. OBLIGATIONS; APPROVAL BY CITY OF  
11 HOUSTON. (a) The district may issue bonds or other obligations  
12 payable in whole or in part from ad valorem taxes, assessments,  
13 impact fees, revenue, grants, or other money of the district, or any  
14 combination of those sources of money, to pay for any authorized  
15 purpose of the district.

16 (b) In exercising the district's borrowing power, the  
17 district may issue a bond or other obligation in the form of a bond,  
18 note, certificate of participation or other instrument evidencing a  
19 proportionate interest in payments to be made by the district, or  
20 other type of obligation.

21 (c) Except as provided by Subsection (d), the district must  
22 obtain the approval of the City of Houston:

23 (1) for the issuance of a bond for each improvement  
24 project;

25 (2) of the plans and specifications of the improvement  
26 project to be financed by the bond; and

27 (3) of the plans and specifications of a district

1 improvement project related to:

2 (A) the use of land owned by the City of Houston;

3 (B) an easement granted by the City of Houston;

4 or

5 (C) a right-of-way of a street, road, or highway.

6 (d) If the district obtains the approval of the City of  
7 Houston of a capital improvements budget for a specified period not  
8 to exceed five years, the district may finance the capital  
9 improvements and issue bonds specified in the budget without  
10 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
11 376.470(a), (b) (part), (c), (d), as added Acts 77th Leg., R.S., Ch.  
12 1476.)

13 Sec. 3815.159. ELECTIONS REGARDING TAXES OR  
14 BONDS. (a) In addition to the elections required under  
15 Subchapter L, Chapter 375, Local Government Code, the district must  
16 hold an election in the manner provided by that subchapter to obtain  
17 voter approval before the district may:

18 (1) impose a maintenance tax; or

19 (2) issue a bond payable from ad valorem taxes or  
20 assessments.

21 (b) The board may submit multiple purposes in a single  
22 proposition at an election. (Loc. Gov. Code, Sec. 376.473, as  
23 added Acts 77th Leg., R.S., Ch. 1476.)

24 [Sections 3815.160-3815.200 reserved for expansion]

#### 25 SUBCHAPTER E. DISSOLUTION

26 Sec. 3815.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
27 DEBT. If the district has debt when it is dissolved, the district

1 shall remain in existence solely for the purpose of discharging its  
2 bonds or other obligations according to their terms.. (Loc. Gov.  
3 Code, Sec. 376.476 (part), as added Acts 77th Leg., R.S., Ch.  
4 1476.)

5 CHAPTER 3816. FRISCO SQUARE MANAGEMENT DISTRICT

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 3816.001. DEFINITIONS

8 Sec. 3816.002. FRISCO SQUARE MANAGEMENT DISTRICT

9 Sec. 3816.003. PURPOSE; DECLARATION OF INTENT

10 Sec. 3816.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

11 Sec. 3816.005. DISTRICT TERRITORY

12 Sec. 3816.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE

13 ZONES

14 Sec. 3816.007. APPLICABILITY OF OTHER LAW

15 Sec. 3816.008. RELATION TO OTHER LAW

16 Sec. 3816.009. LIBERAL CONSTRUCTION OF CHAPTER

17 [Sections 3816.010-3816.050 reserved for expansion]

18 SUBCHAPTER B. BOARD OF DIRECTORS

19 Sec. 3816.051. BOARD OF DIRECTORS

20 Sec. 3816.052. APPOINTED DIRECTORS

21 Sec. 3816.053. EX OFFICIO DIRECTORS

22 Sec. 3816.054. CONFLICTS OF INTEREST

23 [Sections 3816.055-3816.100 reserved for expansion]

24 SUBCHAPTER C. POWERS AND DUTIES

25 Sec. 3816.101. DISTRICT POWERS

26 Sec. 3816.102. NONPROFIT CORPORATION

27 Sec. 3816.103. AGREEMENTS; GRANTS; DONATIONS

1    Sec. 3816.104.    AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT  
2    Sec. 3816.105.    COMPETITIVE BIDDING  
3    Sec. 3816.106.    APPROVAL OF CERTAIN IMPROVEMENT PROJECTS  
4    Sec. 3816.107.    ANNEXATION  
5                    [Sections 3816.108-3816.150 reserved for expansion]  
6                    SUBCHAPTER D.   FINANCIAL PROVISIONS  
7    Sec. 3816.151.    PETITION REQUIRED FOR FINANCING SERVICES  
8                    AND IMPROVEMENTS  
9    Sec. 3816.152.    DISBURSEMENTS AND TRANSFERS OF MONEY  
10   Sec. 3816.153.    AUTHORITY TO IMPOSE AD VALOREM TAXES,  
11                    ASSESSMENTS, AND IMPACT FEES  
12   Sec. 3816.154.    MAINTENANCE TAX  
13   Sec. 3816.155.    CONTRACTS SECURED BY AD VALOREM TAXES  
14   Sec. 3816.156.    ASSESSMENTS  
15   Sec. 3816.157.    LIENS FOR ASSESSMENTS  
16   Sec. 3816.158.    UTILITY PROPERTY EXEMPT FROM ASSESSMENTS  
17                    AND IMPACT FEES  
18   Sec. 3816.159.    ELECTIONS REGARDING TAXES OR BONDS  
19   Sec. 3816.160.    MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
20                    OBLIGATIONS  
21                    [Sections 3816.161-3816.200 reserved for expansion]  
22                    SUBCHAPTER E.   DISSOLUTION  
23   Sec. 3816.201.    DISSOLUTION OF DISTRICT WITH OUTSTANDING  
24                    DEBT  
25                    CHAPTER 3816.   FRISCO SQUARE MANAGEMENT DISTRICT  
26                    SUBCHAPTER A.   GENERAL PROVISIONS  
27                    Sec. 3816.001.    DEFINITIONS.   In this subchapter:

1           (1) "Board" means the board of directors of the  
2 district.

3           (2) "District" means the Frisco Square Management  
4 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
5 77th Leg., R.S., Ch. 1384.)

6           Sec. 3816.002. FRISCO SQUARE MANAGEMENT DISTRICT. The  
7 Frisco Square Management District is a special district created  
8 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
9 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1384.)

10          Sec. 3816.003. PURPOSE; DECLARATION OF INTENT. (a) The  
11 creation of the district is essential to accomplish the purposes of  
12 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
13 Texas Constitution, and other public purposes stated in this  
14 chapter. By creating the district and in authorizing Collin  
15 County, the City of Frisco, and other political subdivisions to  
16 contract with the district, the legislature has established a  
17 program to accomplish the public purposes set out in Section 52-a,  
18 Article III, Texas Constitution.

19          (b) The creation of the district is necessary to promote,  
20 develop, encourage, and maintain employment, commerce,  
21 transportation, housing, tourism, recreation, the arts,  
22 entertainment, economic development, safety, and the public  
23 welfare in the City of Frisco's central business area.

24          (c) This chapter and the creation of the district may not be  
25 interpreted to relieve Collin County or the City of Frisco from  
26 providing the level of services provided as of September 1, 2001, to  
27 the area in the district or to release the county or city from the

1 obligations of each entity to provide services to that area. The  
2 district is created to supplement and not to supplant the city  
3 services provided in the area in the district. (Loc. Gov. Code,  
4 Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
5 1384.)

6 Sec. 3816.004. FINDINGS OF BENEFIT AND PUBLIC  
7 PURPOSE. (a) The district is created to serve a public use and  
8 benefit.

9 (b) All land and other property included in the district  
10 will benefit from the improvements and services to be provided by  
11 the district under powers conferred by Sections 52 and 52-a,  
12 Article III, and Section 59, Article XVI, Texas Constitution, and  
13 other powers granted under this chapter.

14 (c) The creation of the district is in the public interest  
15 and is essential to:

16 (1) further the public purposes of developing and  
17 diversifying the economy of the state;

18 (2) eliminate unemployment and underemployment; and

19 (3) develop or expand transportation and commerce.

20 (d) Each improvement project or service authorized by this  
21 chapter is essential to carry out a public purpose and will benefit:

22 (1) all land and property in the district;

23 (2) the employees, employers, and consumers of the  
24 district; and

25 (3) the public.

26 (e) The district will:

27 (1) promote the health, safety, and general welfare of

1 residents, employers, employees, visitors, and consumers in the  
2 district, and of the public;

3 (2) provide needed funding for the City of Frisco's  
4 central business area extension to the west to:

5 (A) preserve, maintain, and enhance the economic  
6 health and vitality of the area as a community and business center;  
7 and

8 (B) provide a government center for the city;

9 (3) promote the health, safety, and general welfare of  
10 residents, employers, employees, visitors, and consumers in the  
11 district, and of the public by providing, maintaining, and  
12 operating:

13 (A) attractive, safe, and convenient street and  
14 road improvements;

15 (B) off-street parking facilities; and

16 (C) necessary water, sewer, and drainage  
17 facilities to serve the area within the district; and

18 (4) promote the health, safety, welfare, and enjoyment  
19 of the public by providing pedestrian ways, parks, and off-street  
20 parking and by landscaping and developing certain areas in the  
21 district, which are necessary for the restoration, preservation,  
22 and enhancement of scenic and aesthetic beauty.

23 (f) Pedestrian ways along or across a street, at grade or  
24 above or below the surface, and street lighting, street  
25 landscaping, and street art objects are parts of and necessary  
26 components of a street and are considered to be a street or road  
27 improvement.

1 (g) The district will not act as the agent or  
2 instrumentality of any private interest even though the district  
3 will benefit many private interests as well as the public. (Loc.  
4 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1384.)

5 Sec. 3816.005. DISTRICT TERRITORY. (a) The district is  
6 composed of the territory described by Section 1, Chapter 1384,  
7 Acts of the 77th Legislature, Regular Session, 2001, enacting  
8 former Section 376.454, Local Government Code, as that territory  
9 may have been modified under:

10 (1) Section 3816.107 or its predecessor statute,  
11 former Section 376.466, Local Government Code, as added by Chapter  
12 1384, Acts of the 77th Legislature, Regular Session, 2001;

13 (2) Subchapter J, Chapter 49, Water Code; or

14 (3) other law.

15 (b) The boundaries and field notes of the district contained  
16 in Section 1, Chapter 1384, Acts of the 77th Legislature, Regular  
17 Session, 2001, enacting former Section 376.454, Local Government  
18 Code, form a closure. A mistake in the field notes or in copying the  
19 field notes in the legislative process does not affect the  
20 district's:

21 (1) organization, existence, or validity;

22 (2) right to issue any type of bond or other obligation  
23 for a purpose for which the district is created or to pay the  
24 principal of and interest on the bond;

25 (3) right to impose or collect an assessment or tax; or

26 (4) legality or operation. (Loc. Gov. Code, Sec.  
27 376.455, as added Acts 77th Leg., R.S., Ch. 1384; New.)



1           Sec. 3816.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE  
2 ZONES. (a) All or any part of the area of the district is  
3 eligible, regardless of other statutory criteria, to be included  
4 in:

5                   (1) a tax increment reinvestment zone created by the  
6 City of Frisco under Chapter 311, Tax Code; or

7                   (2) a tax abatement reinvestment zone created by the  
8 City of Frisco under Chapter 312, Tax Code.

9           (b) All or any part of the area of the district is eligible  
10 to be nominated for inclusion in an enterprise zone by the City of  
11 Frisco under Chapter 2303, Government Code. (Loc. Gov. Code, Sec.  
12 376.463(f), as added Acts 77th Leg., R.S., Ch. 1384.)

13           Sec. 3816.007. APPLICABILITY OF OTHER LAW. Except as  
14 otherwise provided by this chapter, Chapter 375, Local Government  
15 Code, applies to the district, the board, and district employees.  
16 (Loc. Gov. Code, Sec. 376.457(a), as added Acts 77th Leg., R.S., Ch.  
17 1384.)

18           Sec. 3816.008. RELATION TO OTHER LAW. This chapter  
19 prevails over a law to which this chapter refers that is in conflict  
20 with or is inconsistent with this chapter. (Loc. Gov. Code, Sec.  
21 376.457(b) (part), as added Acts 77th Leg., R.S., Ch. 1384.)

22           Sec. 3816.009. LIBERAL CONSTRUCTION OF CHAPTER. This  
23 chapter shall be liberally construed in conformity with the  
24 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
25 376.458, as added Acts 77th Leg., R.S., Ch. 1384.)

26           [Sections 3816.010-3816.050 reserved for expansion]

27                   SUBCHAPTER B. BOARD OF DIRECTORS

1           Sec. 3816.051. BOARD OF DIRECTORS.       The district is  
2 governed by a board of five directors appointed under Section  
3 3816.052 and three directors serving ex officio under Section  
4 3816.053. (Loc. Gov. Code, Sec. 376.459(a) (part), as added Acts  
5 77th Leg., R.S., Ch. 1384.)

6           Sec. 3816.052. APPOINTED DIRECTORS. (a) The governing  
7 body of the City of Frisco shall appoint directors who meet the  
8 qualifications of Subchapter D, Chapter 375, Local Government Code.

9           (b) The appointed directors serve staggered terms of four  
10 years, with two directors' terms expiring July 1 of an odd-numbered  
11 year and three directors' terms expiring July 1 of the following  
12 odd-numbered year.

13           (c) Notwithstanding the common law doctrine of  
14 incompatibility, members of the governing body of the City of  
15 Frisco may be appointed to the board. The term of a director who is  
16 also a member of the governing body of the City of Frisco expires  
17 when the member's term on the governing body expires. The person  
18 may be reappointed to the board to complete the unexpired term on  
19 the board.

20           (d) A person may not be appointed to the board if the  
21 appointment of that person would result in fewer than three of the  
22 directors residing in the City of Frisco.

23           (e) The governing body of the City of Frisco shall appoint a  
24 director to fill a vacancy that occurs on the board.

25           (f) District directors are public officials entitled to  
26 governmental immunity for their official actions. (Loc. Gov. Code,  
27 Secs. 376.459(a) (part), 376.460(a), (b), (c), (d), as added Acts

1 77th Leg., R.S., Ch. 1384.)

2 Sec. 3816.053. EX OFFICIO DIRECTORS. (a) The following  
3 persons serve as nonvoting ex officio directors:

4 (1) the manager of the City of Frisco;

5 (2) the financial director of the City of Frisco; and

6 (3) the planning director of the City of Frisco.

7 (b) If an office described by Subsection (a) is renamed,  
8 changed, or abolished, the governing body of the City of Frisco may  
9 appoint another city officer or employee who performs duties  
10 comparable to those performed by the officer described by  
11 Subsection (a). (Loc. Gov. Code, Sec. 376.461, as added Acts 77th  
12 Leg., R.S., Ch. 1384.)

13 Sec. 3816.054. CONFLICTS OF INTEREST. (a) Except as  
14 provided by Section 3816.053 or this section:

15 (1) a director may participate in all board votes and  
16 decisions; and

17 (2) Chapter 171, Local Government Code, governs  
18 conflicts of interest of board members.

19 (b) Section 171.004, Local Government Code, does not apply  
20 to the district. A director who has a substantial interest in a  
21 business or charitable entity that will receive a pecuniary benefit  
22 from a board action shall file an affidavit with the board secretary  
23 declaring the interest. Another affidavit is not required if the  
24 director's interest changes.

25 (c) After the affidavit is filed, the director may  
26 participate in a discussion or vote on that action if:

27 (1) a majority of the directors have a similar

1 interest in the same entity;

2 (2) all other similar business or charitable entities  
3 in the district will receive a similar pecuniary benefit; or

4 (3) the director is a property owner in the district.

5 (d) A director who is also an officer or employee of a public  
6 entity may not participate in a discussion of or vote on a matter  
7 regarding a contract with that same public entity.

8 (e) For purposes of this section, a director has a  
9 substantial interest in a charitable entity in the same manner that  
10 a person would have a substantial interest in a business entity  
11 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
12 Sec. 376.462, as added Acts 77th Leg., R.S., Ch. 1384.)

13 [Sections 3816.055-3816.100 reserved for expansion]

#### 14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 3816.101. DISTRICT POWERS. (a) The district has all  
16 powers necessary to accomplish the purposes for which the district  
17 was created.

18 (b) The district may exercise the powers given to:

19 (1) a corporation created under Section 4B,  
20 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
21 Civil Statutes); or

22 (2) a housing finance corporation created under  
23 Chapter 394, Local Government Code, to provide housing or  
24 residential development projects in the district. (Loc. Gov. Code,  
25 Secs. 376.463(a), (b), (c), as added Acts 77th Leg., R.S., Ch.  
26 1384.)

27 Sec. 3816.102. NONPROFIT CORPORATION. (a) The board by

1 resolution may authorize the creation of a nonprofit corporation to  
2 assist and act for the district in implementing a project or  
3 providing a service authorized by this chapter.

4 (b) The nonprofit corporation:

5 (1) has each power of and is considered for purposes of  
6 this chapter to be a local government corporation created under  
7 Chapter 431, Transportation Code; and

8 (2) may implement any project and provide any service  
9 authorized by this chapter.

10 (c) The board shall appoint the board of directors of the  
11 nonprofit corporation. The board of directors of the nonprofit  
12 corporation shall serve in the same manner as, for the same term as,  
13 and on the conditions of the board of directors of a local  
14 government corporation created under Chapter 431, Transportation  
15 Code. (Loc. Gov. Code, Sec. 376.465, as added Acts 77th Leg., R.S.,  
16 Ch. 1384.)

17 Sec. 3816.103. AGREEMENTS; GRANTS; DONATIONS. (a) The  
18 district may enter into an agreement with or accept a donation,  
19 grant, or loan from any person.

20 (b) A municipality, county, or other political subdivision  
21 of this state, without further authorization, may contract with the  
22 district for:

23 (1) the acquisition, construction, improvement,  
24 implementation, maintenance, and operation of a district project;  
25 or

26 (2) the provision of a service authorized under this  
27 chapter.

1 (c) A contract under Subsection (b) may:

2 (1) be for a period and include terms on which the  
3 parties agree;

4 (2) be payable from taxes or any other source of  
5 revenue that may be available for that purpose; and

6 (3) provide terms under which taxes or other revenues  
7 collected at a district project or from a person using or purchasing  
8 a commodity or service at a district project may be paid or rebated  
9 to the district.

10 (d) The implementation of a project is a governmental  
11 function or service for the purposes of Chapter 791, Government  
12 Code. (Loc. Gov. Code, Secs. 376.464(a), (b), (c), as added Acts  
13 77th Leg., R.S., Ch. 1384.)

14 Sec. 3816.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
15 To protect the public interest, the district may contract with the  
16 City of Frisco for the city to provide law enforcement services in  
17 the district for a fee. (Loc. Gov. Code, Sec. 376.464(d), as added  
18 Acts 77th Leg., R.S., Ch. 1384.)

19 Sec. 3816.105. COMPETITIVE BIDDING. Section 375.221, Local  
20 Government Code, does not apply to a district contract for \$25,000  
21 or less. (Loc. Gov. Code, Sec. 376.475, as added Acts 77th Leg.,  
22 R.S., Ch. 1384.)

23 Sec. 3816.106. APPROVAL OF CERTAIN IMPROVEMENT  
24 PROJECTS. (a) Except as provided by Subsection (b), the district  
25 must obtain the approval of the City of Frisco's governing body:

26 (1) for the issuance of a bond for each improvement  
27 project;

1           (2) of the plans and specifications of an improvement  
2 project financed by the bond; and

3           (3) of the plans and specifications of a district  
4 improvement project related to the use of land owned by the City of  
5 Frisco, an easement granted by the City of Frisco, or a right-of-way  
6 of a street, road, or highway.

7           (b) If the district obtains the approval of the City of  
8 Frisco's governing body of a capital improvements budget for a  
9 period not to exceed five years, the district may finance the  
10 capital improvements and issue bonds specified in the budget  
11 without the further approval of the city. (Loc. Gov. Code, Secs.  
12 376.473(a), (b), (c), as added Acts 77th Leg., R.S., Ch. 1384.)

13           Sec. 3816.107. ANNEXATION. In addition to the authority to  
14 annex territory under Subchapter C, Chapter 375, Local Government  
15 Code, the district has the authority to annex territory located in a  
16 reinvestment zone created by the City of Frisco under Chapter 311,  
17 Tax Code, if the city's governing body consents to the annexation.  
18 (Loc. Gov. Code, Sec. 376.466, as added Acts 77th Leg., R.S., Ch.  
19 1384.)

20           [Sections 3816.108-3816.150 reserved for expansion]

#### 21           SUBCHAPTER D. FINANCIAL PROVISIONS

22           Sec. 3816.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
23 IMPROVEMENTS. (a) The board may not finance a service or an  
24 improvement project under this chapter unless a written petition  
25 requesting that service or improvement is filed with the board.

26           (b) The petition must be signed by:

27           (1) the owners of a majority of the assessed value of

1 real property in the district according to the most recent  
2 certified tax appraisal roll for Collin County; or

3 (2) at least 25 owners of land in the district, if more  
4 than 25 persons own property in the district according to the most  
5 recent certified property tax appraisal roll for Collin County.  
6 (Loc. Gov. Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch.  
7 1384.)

8 Sec. 3816.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
9 board by resolution shall establish the number of directors'  
10 signatures and the procedure required for a disbursement or  
11 transfer of the district's money. (Loc. Gov. Code, Sec. 376.474, as  
12 added Acts 77th Leg., R.S., Ch. 1384.)

13 Sec. 3816.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
14 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
15 tax, assessment, or impact fee as provided by Chapter 375, Local  
16 Government Code, on all property in the district, including  
17 industrial, commercial, or residential property, and may impose an  
18 assessment on municipal property in the district to:

19 (1) finance or provide an improvement or service for a  
20 project or activity this chapter authorizes the district to  
21 construct, acquire, or improve; or

22 (2) provide or to make a payment under a contract.  
23 (Loc. Gov. Code, Sec. 376.463(d) (part), as added Acts 77th Leg.,  
24 R.S., Ch. 1384.)

25 Sec. 3816.154. MAINTENANCE TAX. (a) If authorized at an  
26 election held in accordance with Section 3816.159, the district may  
27 impose an annual ad valorem tax on taxable property in the district



1 to:

2 (1) maintain and operate the district and the  
3 improvements constructed or acquired by the district; or

4 (2) provide a service.

5 (b) The board shall determine the tax rate. (Loc. Gov.  
6 Code, Sec. 376.469, as added Acts 77th Leg., R.S., Ch. 1384.)

7 Sec. 3816.155. CONTRACTS SECURED BY AD VALOREM TAXES. A  
8 contract for which the payments are secured wholly or partly by ad  
9 valorem taxes may not be executed unless the imposition of the ad  
10 valorem taxes to secure the payment of the contract is approved by a  
11 majority, or a larger percentage if constitutionally required, of  
12 the voters in the district voting at an election held for that  
13 purpose. (Loc. Gov. Code, Sec. 376.463(d) (part), as added Acts  
14 77th Leg., R.S., Ch. 1384.)

15 Sec. 3816.156. ASSESSMENTS. (a) The board by resolution  
16 may impose and collect an assessment for any purpose authorized by  
17 this chapter.

18 (b) The district may impose an assessment against any  
19 property of the City of Frisco in the district. Payment of an  
20 assessment by another exempt jurisdiction must be established by  
21 contract.

22 (c) The board may apportion the cost of an improvement  
23 project or service to be assessed against property in the district  
24 on all property in the district according to a finding of the board  
25 that the improvement project or service benefits all property in  
26 the district.

27 (d) The board may include two or more types of improvements

1 and services in one assessment proceeding. The board may conduct  
2 separate assessment proceedings as the district undertakes  
3 improvement projects or the provision of services.

4 (e) The board may adjust annual assessments for services in  
5 accordance with an annual budget the board adopts for the provision  
6 of those services. An annual adjustment may not exceed the annual  
7 amount set forth in the original assessment proceedings except  
8 after public notice and hearing on the increase.

9 (f) The board, after notice and hearing as provided by  
10 Subchapter F, Chapter 375, Local Government Code, may:

11 (1) correct, add to, or delete assessments from its  
12 assessment rolls; and

13 (2) collect assessments after making the corrections,  
14 additions, or deletions. (Loc. Gov. Code, Secs. 376.463(e),  
15 376.470, as added Acts 77th Leg., R.S., Ch. 1384.)

16 Sec. 3816.157. LIENS FOR ASSESSMENTS. (a) An assessment,  
17 including an assessment resulting from an addition to or correction  
18 of the assessment roll by the district, a reassessment, penalties  
19 and interest on an assessment or reassessment, an expense of  
20 collection, and reasonable attorney's fees incurred by the  
21 district:

22 (1) are a first and prior lien against the property  
23 assessed;

24 (2) are superior to any other lien or claim other than  
25 a lien or claim for county, school district, or municipal ad valorem  
26 taxes; and

27 (3) are the personal liability of and a charge against

1 the owners of the property even if the owners are not named in the  
2 assessment proceeding.

3 (b) The lien is effective from the date of the board's  
4 resolution imposing the assessment until the date the assessment is  
5 paid. The board may enforce the lien in the same manner that the  
6 board may enforce an ad valorem tax lien against real property.  
7 (Loc. Gov. Code, Sec. 376.471, as added Acts 77th Leg., R.S., Ch.  
8 1384.)

9 Sec. 3816.158. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS AND  
10 IMPACT FEES. The district may not impose an assessment or impact  
11 fee on the property of a person that provides gas, electricity,  
12 telephone, sewage, or water service to the public. (Loc. Gov. Code,  
13 Secs. 376.453(5), 376.472, as added Acts 77th Leg., R.S., Ch.  
14 1384.)

15 Sec. 3816.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
16 addition to the elections required under Subchapter L, Chapter 375,  
17 Local Government Code, the district must hold an election in the  
18 manner provided by that subchapter to obtain voter approval before  
19 the district may:

20 (1) impose a maintenance tax; or  
21 (2) issue a bond payable from ad valorem taxes or  
22 assessments.

23 (b) The board may include more than one purpose in a single  
24 proposition at an election.

25 (c) If the district obtains the written consent of all  
26 property owners in the district to impose a maintenance tax or issue  
27 bonds payable from ad valorem taxes or assessments, the district is

1 exempt from the election requirement under Subsection (a) and may  
2 cancel an election called under Subsection (a). (Loc. Gov. Code,  
3 Sec. 376.468, as added Acts 77th Leg., R.S., Ch. 1384.)

4 Sec. 3816.160. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
5 OBLIGATIONS. Except as provided by Section 375.263, Local  
6 Government Code, a municipality is not required to pay a bond, note,  
7 or other obligation of the district. (Loc. Gov. Code, Sec.  
8 376.473(d), as added Acts 77th Leg., R.S., Ch. 1384.)

9 [Sections 3816.161-3816.200 reserved for expansion]

#### 10 SUBCHAPTER E. DISSOLUTION

11 Sec. 3816.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
12 DEBT. (a) The board may dissolve the district regardless of  
13 whether the district has debt. Section 375.264, Local Government  
14 Code, does not apply to the district.

15 (b) If the district has debt when it is dissolved, the  
16 district shall remain in existence solely for the purpose of  
17 discharging its debts. The dissolution is effective when all debts  
18 have been discharged. (Loc. Gov. Code, Sec. 376.476, as added Acts  
19 77th Leg., R.S., Ch. 1384.)

#### 20 CHAPTER 3817. ALDINE COMMUNITY IMPROVEMENT DISTRICT

##### 21 SUBCHAPTER A. GENERAL PROVISIONS

22 Sec. 3817.001. DEFINITIONS

23 Sec. 3817.002. ALDINE COMMUNITY IMPROVEMENT DISTRICT

24 Sec. 3817.003. PURPOSE; DECLARATION OF INTENT

25 Sec. 3817.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

26 Sec. 3817.005. DISTRICT TERRITORY

27 Sec. 3817.006. APPLICABILITY OF OTHER LAW

1    Sec. 3817.007.    LIBERAL CONSTRUCTION OF CHAPTER  
2                    [Sections 3817.008-3817.050 reserved for expansion]  
3                    SUBCHAPTER B.    BOARD OF DIRECTORS  
4    Sec. 3817.051.    BOARD OF DIRECTORS; TERMS  
5    Sec. 3817.052.    APPOINTMENT AND REMOVAL OF DIRECTORS  
6    Sec. 3817.053.    QUORUM  
7                    [Sections 3817.054-3817.100 reserved for expansion]  
8                    SUBCHAPTER C.    POWERS AND DUTIES  
9    Sec. 3817.101.    EXERCISE OF POWERS OF DEVELOPMENT  
10                   CORPORATION  
11    Sec. 3817.102.    NONPROFIT CORPORATION  
12    Sec. 3817.103.    CONTRACT WITH POLITICAL SUBDIVISION  
13    Sec. 3817.104.    AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT  
14    Sec. 3817.105.    APPROVAL BY CITY OF HOUSTON  
15    Sec. 3817.106.    ANNEXATION OF CERTAIN TERRITORY BY GOVERNING  
16                    BODY OF MUNICIPALITY  
17                    [Sections 3817.107-3817.150 reserved for expansion]  
18                    SUBCHAPTER D.    FINANCIAL PROVISIONS  
19    Sec. 3817.151.    DISBURSEMENTS AND TRANSFERS OF MONEY  
20    Sec. 3817.152.    BOARD VOTE REQUIRED TO AUTHORIZE TAXES,  
21                    ASSESSMENTS, IMPACT FEES, OR BONDS  
22    Sec. 3817.153.    MAINTENANCE TAX  
23    Sec. 3817.154.    SALES AND USE TAX  
24    Sec. 3817.155.    ASSESSMENTS; LIENS FOR ASSESSMENTS  
25    Sec. 3817.156.    PROPERTY EXEMPT FROM IMPACT FEES  
26                    AND ASSESSMENTS  
27    Sec. 3817.157.    ELECTIONS REGARDING TAXES OR BONDS

1 Sec. 3817.158. MUNICIPALITY NOT REQUIRED TO PAY

2 DISTRICT OBLIGATIONS

3 [Sections 3817.159-3817.200 reserved for expansion]

4 SUBCHAPTER E. DISSOLUTION

5 Sec. 3817.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

6 DEBT

7 CHAPTER 3817. ALDINE COMMUNITY IMPROVEMENT DISTRICT

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 3817.001. DEFINITIONS. In this chapter:

10 (1) "Board" means the board of directors of the  
11 district.

12 (2) "District" means the Aldine Community Improvement  
13 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
14 77th Leg., R.S., Ch. 1433.)

15 Sec. 3817.002. ALDINE COMMUNITY IMPROVEMENT DISTRICT. The  
16 Aldine Community Improvement District is a special district created  
17 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
18 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1433.)

19 Sec. 3817.003. PURPOSE; DECLARATION OF INTENT. (a) The  
20 creation of the district is essential to accomplish the purposes of  
21 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
22 Texas Constitution, and other public purposes stated in this  
23 chapter.

24 (b) The creation of the district is necessary to promote,  
25 develop, encourage, and maintain employment, commerce,  
26 transportation, housing, tourism, recreation, the arts,  
27 entertainment, economic development, safety, and the public

1 welfare in the Aldine Community area of Harris County.

2 (c) This chapter and the creation of the district may not be  
3 interpreted to relieve Harris County from providing the level of  
4 services provided as of June 17, 2001, to the area in the district  
5 or to release the county from the obligations of the county to  
6 provide services to that area. The district is created to  
7 supplement and not to supplant the county services provided in the  
8 area in the district. (Loc. Gov. Code, Sec. 376.452, as added Acts  
9 77th Leg., R.S., Ch. 1433.)

10 Sec. 3817.004. FINDINGS OF BENEFIT AND PUBLIC  
11 PURPOSE. (a) The district is created to serve a public use and  
12 benefit.

13 (b) All land and other property included in the district  
14 will benefit from the improvements and services to be provided by  
15 the district under powers conferred by Sections 52 and 52-a,  
16 Article III, and Section 59, Article XVI, Texas Constitution, and  
17 other powers granted under this chapter.

18 (c) The creation of the district is in the public interest  
19 and is essential to:

20 (1) further the public purposes of developing and  
21 diversifying the economy of the state;

22 (2) eliminate unemployment and underemployment; and

23 (3) develop or expand transportation and commerce.

24 (d) The district will:

25 (1) promote the health, safety, and general welfare of  
26 residents, employers, potential employees, employees, visitors,  
27 and consumers in the district, and of the public;

1           (2) provide needed funding for the Aldine Community  
2 area to preserve, maintain, and enhance the economic health and  
3 vitality of the area as a community and business center; and

4           (3) promote the health, safety, welfare, and enjoyment  
5 of the public by providing pedestrian ways and by landscaping and  
6 developing certain areas in the district, which are necessary for  
7 the restoration, preservation, and enhancement of scenic beauty.

8           (e) Pedestrian ways along or across a street, whether at  
9 grade or above or below the surface, and street lighting, street  
10 landscaping, and street art objects are parts of and necessary  
11 components of a street and are considered to be a street or road  
12 improvement.

13           (f) The district will not act as the agent or  
14 instrumentality of any private interest even though the district  
15 will benefit many private interests as well as the public. (Loc.  
16 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1433.)

17           Sec. 3817.005. DISTRICT TERRITORY. (a) The district is  
18 composed of the territory described by Section 1, Chapter 1433,  
19 Acts of the 77th Legislature, Regular Session, 2001, enacting  
20 former Section 376.454, Local Government Code, as that territory  
21 may have been modified under:

22           (1) Section 3817.106 or its predecessor statute,  
23 former Section 376.476, Local Government Code, as added by Section  
24 1, Chapter 1433, Acts of the 77th Legislature, Regular Session,  
25 2001;

26           (2) Subchapter J, Chapter 49, Water Code; or

27           (3) other law.



1 (b) The boundaries and field notes of the district contained  
2 in Section 1, Chapter 1433, Acts of the 77th Legislature, Regular  
3 Session, 2001, enacting former Section 376.454, Local Government  
4 Code, form a closure. A mistake in the field notes or in copying the  
5 field notes in the legislative process does not in any way affect  
6 the district's:

7 (1) organization, existence, or validity;

8 (2) right to issue any type of bond for a purpose for  
9 which the district is created or to pay the principal of and  
10 interest on the bond;

11 (3) right to impose or collect an assessment or tax; or

12 (4) legality or operation. (Loc. Gov. Code, Sec.  
13 376.455, as added Acts 77th Leg., R.S., Ch. 1433; New.)

14 Sec. 3817.006. APPLICABILITY OF OTHER LAW. Except as  
15 otherwise provided by this chapter, Chapter 375, Local Government  
16 Code, applies to the district. (Loc. Gov. Code, Sec. 376.457, as  
17 added Acts 77th Leg., R.S., Ch. 1433.)

18 Sec. 3817.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
19 chapter shall be liberally construed in conformity with the  
20 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
21 376.458, as added Acts 77th Leg., R.S., Ch. 1433.)

22 [Sections 3817.008-3817.050 reserved for expansion]

#### 23 SUBCHAPTER B. BOARD OF DIRECTORS

24 Sec. 3817.051. BOARD OF DIRECTORS; TERMS. (a) The  
25 district is governed by a board of nine directors who serve  
26 staggered terms of four years with four or five directors' terms  
27 expiring June 1 of each odd-numbered year.

1 (b) One director must be a resident of the district.

2 (c) The board by resolution may change the number of  
3 directors on the board, but only if the board determines that the  
4 change is in the best interest of the district, subject to Section  
5 375.061, Local Government Code. (Loc. Gov. Code, Sec. 376.459, as  
6 added Acts 77th Leg., R.S., Ch. 1433.)

7 Sec. 3817.052. APPOINTMENT AND REMOVAL OF DIRECTORS.  
8 Sections 375.064 and 375.065, Local Government Code, govern the  
9 appointment and removal of directors, except that for purposes of  
10 this chapter references in those sections to the governing body of  
11 the municipality mean the commissioners court of Harris County.  
12 (Loc. Gov. Code, Sec. 376.460, as added Acts 77th Leg., R.S., Ch.  
13 1433.)

14 Sec. 3817.053. QUORUM. (a) Section 375.071, Local  
15 Government Code, does not apply to the district.

16 (b) One-half of the board constitutes a quorum.

17 (c) Except as provided by Section 3817.152, a concurrence of  
18 a majority of a quorum is required for any official district action.  
19 (Loc. Gov. Code, Sec. 376.461, as added Acts 77th Leg., R.S., Ch.  
20 1433.)

21 [Sections 3817.054-3817.100 reserved for expansion]

#### 22 SUBCHAPTER C. POWERS AND DUTIES

23 Sec. 3817.101. EXERCISE OF POWERS OF DEVELOPMENT  
24 CORPORATION. The district may exercise the powers of a corporation  
25 created under Section 4B, Development Corporation Act of 1979  
26 (Article 5190.6, Vernon's Texas Civil Statutes). (Loc. Gov. Code,  
27 Sec. 376.463, as added Acts 77th Leg., R.S., Ch. 1433.)

1           Sec. 3817.102. NONPROFIT CORPORATION. (a) The board by  
2 resolution may authorize the creation of a nonprofit corporation to  
3 assist and act for the district in implementing a project or  
4 providing a service authorized by this chapter.

5           (b) The nonprofit corporation:

6                 (1) has each power of and is considered for purposes of  
7 this chapter to be a local government corporation created under  
8 Chapter 431, Transportation Code; and

9                 (2) may implement any project and provide any service  
10 authorized by this chapter.

11           (c) The board shall appoint the board of directors of the  
12 nonprofit corporation. The board of directors of the nonprofit  
13 corporation shall serve in the same manner as, for the same term as,  
14 and on the same conditions as the board of directors of a local  
15 government corporation created under Chapter 431, Transportation  
16 Code. (Loc. Gov. Code, Sec. 376.466, as added Acts 77th Leg., R.S.,  
17 Ch. 1433.)

18           Sec. 3817.103. CONTRACT WITH POLITICAL SUBDIVISION. Harris  
19 County, the City of Houston, or another political subdivision of  
20 this state, without further authorization, may contract with the  
21 district to implement a project of the district or assist the  
22 district in providing a service authorized under this chapter. A  
23 contract under this section may:

24                 (1) be for a period on which the parties agree;

25                 (2) include terms on which the parties agree;

26                 (3) be payable from taxes or any other source of  
27 revenue that may be available for that project or service; and

1           (4) provide terms under which taxes or other revenue  
2 collected at a district project or from a person using or purchasing  
3 a commodity or service at a district project may be paid or rebated  
4 to the district. (Loc. Gov. Code, Sec. 376.465, as added Acts 77th  
5 Leg., R.S., Ch. 1433.)

6           Sec. 3817.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
7 To protect the public interest, the district may contract with  
8 Harris County or the City of Houston for the county or the city to  
9 provide law enforcement services in the district for a fee. (Loc.  
10 Gov. Code, Sec. 376.464, as added Acts 77th Leg., R.S., Ch. 1433.)

11           Sec. 3817.105. APPROVAL BY CITY OF HOUSTON. (a) Except as  
12 provided by Subsection (b), the district must obtain the approval  
13 of the City of Houston's governing body:

14                 (1) for the issuance of a bond for each improvement  
15 project;

16                 (2) of the plans and specifications of the improvement  
17 project financed by the bond; and

18                 (3) of the plans and specifications of any district  
19 improvement project related to the use of land owned by Harris  
20 County, an easement granted by Harris County, or a right-of-way of a  
21 street, road, or highway.

22           (b) If the district obtains the approval of the City of  
23 Houston's governing body of a capital improvements budget for a  
24 period not to exceed five years, the district may finance the  
25 capital improvements and issue bonds specified in the budget  
26 without further approval from the City of Houston. (Loc. Gov. Code,  
27 Secs. 376.468(a), (b), (c), as added Acts 77th Leg., R.S., Ch.

1 1433.)

2           Sec. 3817.106. ANNEXATION OF CERTAIN TERRITORY BY GOVERNING  
3 BODY OF MUNICIPALITY. (a) If territory in the City of Houston's  
4 limit or extraterritorial jurisdiction is included in the district,  
5 the city's governing body may remove that territory from the  
6 district if the district does not have any bonded indebtedness.

7           (b) To remove the territory, the governing body of the City  
8 of Houston must notify the board secretary in writing that the  
9 territory is excluded from the district's territory.

10           (c) If a municipality annexes territory that is in its  
11 extraterritorial jurisdiction and included in the district, the  
12 governing body of the municipality shall notify the board secretary  
13 in writing that the annexed territory is excluded from the  
14 district's territory. (Loc. Gov. Code, Sec. 376.476, as added Acts  
15 77th Leg., R.S., Ch. 1433.)

16           [Sections 3817.107-3817.150 reserved for expansion]

17                   SUBCHAPTER D. FINANCIAL PROVISIONS

18           Sec. 3817.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
19 board by resolution shall establish the number of directors'  
20 signatures and the procedure required for a disbursement or  
21 transfer of the district's money. (Loc. Gov. Code, Sec. 376.467, as  
22 added Acts 77th Leg., R.S., Ch. 1433.)

23           Sec. 3817.152. BOARD VOTE REQUIRED TO AUTHORIZE TAXES,  
24 ASSESSMENTS, IMPACT FEES, OR BONDS. (a) A majority vote of the  
25 directors serving is required to authorize the imposition of a tax,  
26 assessment, or impact fee.

27           (b) The written consent of at least two-thirds of the full

1 membership of the board is required to authorize the issuance of a  
2 bond. (Loc. Gov. Code, Sec. 376.462, as added Acts 77th Leg., R.S.,  
3 Ch. 1433.)

4       Sec. 3817.153. MAINTENANCE TAX. (a) If authorized at an  
5 election held in accordance with Section 3817.157, the district may  
6 impose an annual ad valorem tax on taxable property in the district  
7 to:

- 8               (1) maintain and operate the district;
- 9               (2) construct or acquire improvements; or
- 10              (3) provide a service.

11       (b) The board shall determine the tax rate. (Loc. Gov.  
12 Code, Sec. 376.471, as added Acts 77th Leg., R.S., Ch. 1433.)

13       Sec. 3817.154. SALES AND USE TAX. (a) The district may  
14 impose a sales and use tax if authorized by a majority of the voters  
15 of the district voting at an election called for that purpose.  
16 Revenue from the tax may be used for any purpose for which ad  
17 valorem tax revenue of the district may be used.

18       (b) The district may not adopt a sales and use tax if as a  
19 result of the adoption of the tax the combined rate of all sales and  
20 use taxes imposed by the district and other political subdivisions  
21 of this state having territory in the district would exceed two  
22 percent at any location in the district.

23       (c) If the voters of the district approve the adoption of  
24 the tax at an election held on the same election date on which  
25 another political subdivision adopts a sales and use tax or  
26 approves an increase in the rate of its sales and use tax and as a  
27 result the combined rate of all sales and use taxes imposed by the

1 district and other political subdivisions of this state having  
2 territory in the district would exceed two percent at any location  
3 in the district, the election to adopt a sales and use tax under  
4 this chapter has no effect. (Loc. Gov. Code, Sec. 376.470, as added  
5 Acts 77th Leg., R.S., Ch. 1433.)

6 Sec. 3817.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
7 The board by resolution may impose and collect an assessment for any  
8 purpose authorized by this chapter.

9 (b) An assessment, a reassessment, or an assessment  
10 resulting from an addition to or correction of the assessment roll  
11 by the district, penalties and interest on an assessment or  
12 reassessment, an expense of collection, and reasonable attorney's  
13 fees incurred by the district:

14 (1) are a first and prior lien against the property  
15 assessed;

16 (2) are superior to any other lien or claim other than  
17 a lien or claim for county, school district, or municipal ad valorem  
18 taxes; and

19 (3) are the personal liability of and a charge against  
20 the owners of the property even if the owners are not named in the  
21 assessment proceedings.

22 (c) The lien is effective from the date of the board's  
23 resolution imposing the assessment until the date the assessment is  
24 paid. The board may enforce the lien in the same manner that the  
25 board may enforce an ad valorem tax lien against real property.  
26 (Loc. Gov. Code, Sec. 376.469, as added Acts 77th Leg., R.S., Ch.  
27 1433.)

1           Sec. 3817.156. PROPERTY EXEMPT FROM IMPACT FEES AND  
2 ASSESSMENTS. (a) In this section:

3           (1) "Electric utility" and "power generation company"  
4 have the meanings assigned by Section 31.002, Utilities Code.

5           (2) "Gas utility" has the meaning assigned by Sections  
6 101.003 and 121.001, Utilities Code.

7           (3) "Telecommunications provider" has the meaning  
8 assigned by Section 51.002, Utilities Code.

9           (b) The district may not impose an impact fee or assessment  
10 under Chapter 375, Local Government Code, on a residential  
11 property, including a multiunit residential property, or a  
12 condominium.

13           (c) The district may not impose an impact fee or assessment  
14 on the property of an electric utility, gas utility, power  
15 generation company, or telecommunications provider. (Loc. Gov.  
16 Code, Sec. 376.473, as added Acts 77th Leg., R.S., Ch. 1433.)

17           Sec. 3817.157. ELECTIONS REGARDING TAXES OR  
18 BONDS. (a) In addition to the elections required under  
19 Subchapter L, Chapter 375, Local Government Code, the district must  
20 hold an election in the manner provided by that subchapter to obtain  
21 voter approval before the district may:

22           (1) impose a maintenance tax; or

23           (2) issue a bond payable from ad valorem taxes or  
24 assessments.

25           (b) The board may include more than one purpose in a single  
26 proposition at an election. (Loc. Gov. Code, Sec. 376.472, as added  
27 Acts 77th Leg., R.S., Ch. 1433.)



1           Sec. 3817.158. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
2 OBLIGATIONS.    Except as provided by Section 375.263, Local  
3 Government Code, a municipality is not required to pay a bond, note,  
4 or other obligation of the district.   (Loc. Gov. Code, Sec.  
5 376.468(d), as added Acts 77th Leg., R.S., Ch. 1433.)

6           [Sections 3817.159-3817.200 reserved for expansion]

7                               SUBCHAPTER E. DISSOLUTION

8           Sec. 3817.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
9 DEBT. (a) The board may dissolve the district regardless of  
10 whether the district has debt. Section 375.264, Local Government  
11 Code, does not apply to the district.

12           (b) If the district has debt when it is dissolved, the  
13 district shall remain in existence solely for the purpose of  
14 discharging its debts. The dissolution is effective when all debts  
15 have been discharged. (Loc. Gov. Code, Sec. 376.475, as added Acts  
16 77th Leg., R.S., Ch. 1433.)

17           [Chapters 3818-5000 reserved for expansion]

18                               TITLE 5. TRANSPORTATION

19                               SUBTITLE A. NAVIGATION DISTRICTS AND PORT AUTHORITIES

20                               CHAPTER 5001. ARANSAS COUNTY NAVIGATION DISTRICT NO. 1

21                               SUBCHAPTER A. GENERAL PROVISIONS

22           Sec. 5001.001. DEFINITION

23           Sec. 5001.002. NATURE OF DISTRICT

24           Sec. 5001.003. DISTRICT TERRITORY

25           Sec. 5001.004. GOVERNANCE OF DISTRICT

26           [Sections 5001.005-5001.050 reserved for expansion]

27                               SUBCHAPTER B. DISTRICT PROMOTION AND DEVELOPMENT FUND

1    Sec. 5001.051.    DEFINITIONS  
 2    Sec. 5001.052.    AUTHORITY TO CREATE FUND  
 3    Sec. 5001.053.    LIMITATION ON DEPOSITS TO FUND  
 4    Sec. 5001.054.    SEPARATE FUND  
 5    Sec. 5001.055.    AUTHORIZED EXPENDITURES OF MONEY IN FUND  
 6    Sec. 5001.056.    CONTROL OVER FUND AND EXPENDITURES  
 7    Sec. 5001.057.    DUTIES OF COUNTY AUDITOR IN RELATION  
 8                                TO FUND  
 9    Sec. 5001.058.    EFFECT OF FUND ON OTHER EXPENDITURES  
 10            CHAPTER 5001.    ARANSAS COUNTY NAVIGATION DISTRICT NO. 1  
 11                                SUBCHAPTER A.    GENERAL PROVISIONS  
 12            Sec. 5001.001.    DEFINITION.    In this chapter, "district"  
 13    means the Aransas County Navigation District No. 1. (New.)  
 14            Sec. 5001.002.    NATURE OF DISTRICT.    The district is a  
 15    navigation district operating under Section 59, Article XVI, Texas  
 16    Constitution. (Acts 51st Leg., R.S., Ch. 213, Sec. 1 (part).)  
 17            Sec. 5001.003.    DISTRICT TERRITORY.    The district is  
 18    composed of all the territory in Aransas County, unless the  
 19    district territory is modified under:  
 20                                (1)    Section 3 or 3a, Chapter 103, Acts of the 41st  
 21    Legislature, 1st Called Session, 1929 (Article 8263a, Vernon's  
 22    Texas Civil Statutes), after May 14, 1949, and before August 30,  
 23    1971;  
 24                                (2)    Subchapter H, Chapter 62, Water Code; or  
 25                                (3)    other law. (Acts 51st Leg., R.S., Ch. 213, Sec. 1  
 26    (part); New.)  
 27            Sec. 5001.004.    GOVERNANCE OF DISTRICT.    The district is

1 governed by Chapter 62, Water Code, and all statutes relating to a  
2 navigation district created under that chapter. (Acts 51st Leg.,  
3 R.S., Ch. 213, Sec. 1 (part).)

4 [Sections 5001.005-5001.050 reserved for expansion]

5 SUBCHAPTER B. DISTRICT PROMOTION AND DEVELOPMENT FUND

6 Sec. 5001.051. DEFINITIONS. In this subchapter:

7 (1) "Commission" means the navigation and canal  
8 commission of the district.

9 (2) "Fund" means a promotion and development fund  
10 created by the district. (New.)

11 Sec. 5001.052. AUTHORITY TO CREATE FUND. The district may  
12 create a promotion and development fund. (Acts 51st Leg., R.S., Ch.  
13 213, Sec. 4A (part).)

14 Sec. 5001.053. LIMITATION ON DEPOSITS TO FUND. The  
15 district may deposit to the credit of the fund not more than five  
16 percent of its gross income from operations in a calendar year.  
17 (Acts 51st Leg., R.S., Ch. 213, Sec. 4A (part).)

18 Sec. 5001.054. SEPARATE FUND. (a) Money in the promotion  
19 and development fund shall be kept separate from all other funds and  
20 accounts of the district.

21 (b) Money derived from the imposition of taxes may not be  
22 deposited to the credit of the fund. (Acts 51st Leg., R.S., Ch.  
23 213, Sec. 4C(a).)

24 Sec. 5001.055. AUTHORIZED EXPENDITURES OF MONEY IN FUND.  
25 Money in the fund may be spent by the commission, or as the  
26 commission may direct, to pay any expense connected with:

27 (1) an activity or matter incidental to the

1 advertising, development, or promotion of the district or a port,  
2 waterway, harbor, or terminal of the district;

3 (2) the furtherance of the general welfare of the  
4 district or a facility of the district; or

5 (3) the improvement of the district's relations with a  
6 steamship or rail line, a shipper, a consignee of freight, a  
7 government official, or another person interested or thought to be  
8 interested in a port, waterway, harbor, or terminal of the  
9 district. (Acts 51st Leg., R.S., Ch. 213, Sec. 4B.)

10 Sec. 5001.056. CONTROL OVER FUND AND EXPENDITURES. The  
11 commission:

12 (1) has exclusive control over the fund; and

13 (2) is fully responsible for auditing, approving, and  
14 safeguarding each expenditure of money from the fund. (Acts 51st  
15 Leg., R.S., Ch. 213, Sec. 4C(b).)

16 Sec. 5001.057. DUTIES OF COUNTY AUDITOR IN RELATION TO  
17 FUND. (a) The county auditor shall exercise the auditor's usual  
18 supervision and control to ensure that the commission complies with  
19 Section 5001.053.

20 (b) The county auditor may not audit expenditures from the  
21 fund but is entitled to receive a monthly statement that shows with  
22 respect to each expenditure:

23 (1) the date of the expenditure;

24 (2) the amount of the expenditure;

25 (3) the person or entity who received the expenditure;

26 and

27 (4) the general purpose of the expenditure. (Acts

1 51st Leg., R.S., Ch. 213, Sec. 4C(c).)

2 Sec. 5001.058. EFFECT OF FUND ON OTHER EXPENDITURES. The  
3 creation of the fund or an expenditure of money from the fund does  
4 not affect the payment of any expense that is customarily approved,  
5 audited, or paid out of the regular funds of the district. (Acts  
6 51st Leg., R.S., Ch. 213, Sec. 4D (part).)

7 [Chapters 5002-5200 reserved for expansion]

8 SUBTITLE B. ROAD AND ROAD UTILITY DISTRICTS

9 [Chapters 5201-6600 reserved for expansion]

10 TITLE 6. WATER AND WASTEWATER

11 SUBTITLE A. DRAINAGE DISTRICTS

12 CHAPTER 6601. ANGLETON DRAINAGE DISTRICT

13 SUBCHAPTER A. GENERAL PROVISIONS

14 Sec. 6601.001. DEFINITIONS

15 Sec. 6601.002. NATURE OF DISTRICT

16 Sec. 6601.003. LEGISLATIVE FINDINGS

17 Sec. 6601.004. DISTRICT TERRITORY

18 [Sections 6601.005-6601.050 reserved for expansion]

19 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

20 Sec. 6601.051. BOARD OF DIRECTORS

21 Sec. 6601.052. BALLOT APPLICATION DEADLINE

22 Sec. 6601.053. QUALIFICATIONS

23 Sec. 6601.054. MEETINGS

24 Sec. 6601.055. ADDITIONAL DIRECTORS

25 Sec. 6601.056. SPECIAL ELECTION

26 [Sections 6601.057-6601.100 reserved for expansion]

27 SUBCHAPTER C. POWERS AND DUTIES

1   Sec. 6601.101.   POWERS AND DUTIES  
2   Sec. 6601.102.   DISTRICT POWERS  
3   Sec. 6601.103.   EMINENT DOMAIN  
4   Sec. 6601.104.   COST OF RELOCATING PROPERTY  
5   Sec. 6601.105.   ADDITION OF TERRITORY TO DISTRICT  
6   Sec. 6601.106.   MOSQUITO HAZARD  
7   Sec. 6601.107.   AWARD OF CONTRACTS  
8           [Sections 6601.108-6601.150 reserved for expansion]  
9                   SUBCHAPTER D.   BONDS AND TAXES  
10   Sec. 6601.151.   LIMITATION ON DEBT  
11   Sec. 6601.152.   APPROVAL BY TEXAS COMMISSION ON  
12                   ENVIRONMENTAL QUALITY  
13   Sec. 6601.153.   CONTINUATION OF PREVIOUS MAINTENANCE TAX  
14   Sec. 6601.154.   DISTRICT TAX ASSESSOR AND COLLECTOR  
15                   CHAPTER 6601.   ANGLETON DRAINAGE DISTRICT  
16                   SUBCHAPTER A.   GENERAL PROVISIONS  
17   Sec. 6601.001.   DEFINITIONS.   In this chapter:  
18           (1)   "Board" means the board of directors of the  
19   district.  
20           (2)   "Director" means a member of the board.  
21           (3)   "District" means the Angleton Drainage District.  
22   (New.)  
23   Sec. 6601.002.   NATURE   OF   DISTRICT.   (a)   The   Angleton  
24   Drainage District is a conservation and reclamation district  
25   re-created under Section 59, Article XVI, Texas Constitution, for  
26   the reclamation and drainage of the district's overflowed lands and  
27   other lands needing drainage.

1 (b) The district is a municipal corporation. (Acts 57th  
2 Leg., 3rd C.S., Ch. 43, Secs. 1 (part), 2 (part), 12 (part).)

3 Sec. 6601.003. LEGISLATIVE FINDINGS. The legislature finds  
4 that:

5 (1) all land and other property included in the  
6 district is, and will be, benefited by the district and by the  
7 improvements the district will purchase, construct, or otherwise  
8 acquire;

9 (2) the district is created to serve a public use and  
10 benefit; and

11 (3) the district is essential to accomplish the  
12 purposes of Section 59, Article XVI, Texas Constitution. (Acts  
13 57th Leg., 3rd C.S., Ch. 43, Secs. 10, 12 (part).)

14 Sec. 6601.004. DISTRICT TERRITORY. The district is  
15 composed of the territory described by Section 1, Chapter 9,  
16 Special Laws, Acts of the 41st Legislature, 4th Called Session,  
17 1930, as referenced by Section 1, Chapter 43, Acts of the 57th  
18 Legislature, 3rd Called Session, 1962, as that territory may have  
19 been modified under:

20 (1) Section 6601.105 or its predecessor statute,  
21 Section 11, Chapter 43, Acts of the 57th Legislature, 3rd Called  
22 Session, 1962;

23 (2) Chapter 4, Title 128, Revised Statutes, before  
24 August 30, 1971;

25 (3) Subchapter G, Chapter 53, Water Code, before  
26 September 1, 1995;

27 (4) Subchapter J, Chapter 49, Water Code; or

1 (5) other law. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec.  
2 1 (part); New.)

3 [Sections 6601.005-6601.050 reserved for expansion]

4 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

5 Sec. 6601.051. BOARD OF DIRECTORS. The board consists of  
6 three directors. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 3 (part).)

7 Sec. 6601.052. BALLOT APPLICATION DEADLINE. An application  
8 for a place on the ballot for a directors election must be filed  
9 with the secretary of the district not later than the 30th day  
10 before the date of the election. (Acts 57th Leg., 3rd C.S., Ch. 43,  
11 Sec. 3 (part).)

12 Sec. 6601.053. QUALIFICATIONS. A candidate for director  
13 must:

14 (1) be more than 21 years of age; and

15 (2) own land subject to taxation in the district.  
16 (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 3 (part).)

17 Sec. 6601.054. MEETINGS. The board shall meet at:

18 (1) the Angleton City Hall at 7:30 p.m. on the first  
19 Tuesday in February, May, August, and November of each year; or

20 (2) other times and places as decided by the board.  
21 (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 3 (part).)

22 Sec. 6601.055. ADDITIONAL DIRECTORS. (a) If territory is  
23 added to the district and the board considers it advisable, the size  
24 of the board may be increased to not more than five directors.

25 (b) If the size of the board is increased, the board shall  
26 appoint the appropriate number of qualified persons to serve as  
27 directors until successor directors are elected at the next regular



1 election of directors. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 4.)

2       Sec. 6601.056. SPECIAL ELECTION. (a) If the number of  
3 directors is reduced to one, the remaining director shall call a  
4 special election to fill the vacancies. If the remaining director  
5 fails to call the special election before the 16th day after the  
6 date the vacancies occur, the county judge of Brazoria County may  
7 order a special election on petition of any resident of the  
8 district.

9       (b) The election shall be conducted and notice shall be  
10 given in the manner provided by Section 49.106, Water Code, for bond  
11 elections of the district. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec.  
12 3 (part).)

13       [Sections 6601.057-6601.100 reserved for expansion]

14                   SUBCHAPTER C. POWERS AND DUTIES

15       Sec. 6601.101. POWERS AND DUTIES. (a) To accomplish the  
16 purposes of Section 6601.002(a), the district has all the rights,  
17 powers, privileges, and duties conferred and imposed by general law  
18 on fresh water supply districts created under Section 59, Article  
19 XVI, Texas Constitution, including the power to conserve,  
20 transport, and distribute fresh water.

21       (b) This chapter prevails over a general law described by  
22 Subsection (a) that conflicts or is inconsistent with this chapter.  
23 (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 2 (part).)

24       Sec. 6601.102. DISTRICT POWERS. (a) The district may  
25 construct, acquire, improve, enlarge, extend, repair, maintain, or  
26 replace all walls, dams, dikes, levees, embankments, canals,  
27 drains, tanks, laterals, and pumps that the board considers

1 necessary to accomplish district purposes.

2 (b) The district may make, construct, or otherwise acquire  
3 improvements in or outside district boundaries as necessary to  
4 implement the powers granted by this chapter and general law. (Acts  
5 57th Leg., 3rd C.S., Ch. 43, Sec. 2 (part).)

6 Sec. 6601.103. EMINENT DOMAIN. (a) Not by way of  
7 limitation, the district may exercise the right of eminent domain  
8 to acquire the right-of-way over and through private land, except  
9 property used for cemetery purposes, as the board determines  
10 necessary for making the district's canals, drains, ditches,  
11 levees, and other improvements and the necessary outlets for those  
12 improvements. The power of eminent domain is limited to Brazoria  
13 County.

14 (b) Right-of-way in a municipality may not be condemned  
15 without the consent of the governing body of the municipality.

16 (c) The proceedings shall be in the name of the district and  
17 under the direction of its board.

18 (d) An appeal of the findings and damage assessment by the  
19 special commissioners does not suspend the work of the directors in  
20 prosecuting the work in all of its details. (Acts 57th Leg., 3rd  
21 C.S., Ch. 43, Sec. 2 (part).)

22 Sec. 6601.104. COST OF RELOCATING PROPERTY. (a) In this  
23 section, "sole expense" means the actual cost of relocating,  
24 raising, lowering, rerouting, changing the grade of, or altering  
25 the construction of a facility described in Subsection (b) in  
26 providing comparable replacement without enhancement of the  
27 facility, after deducting from that cost the net salvage value of

1 the old facility.

2 (b) If the district, in the exercise of the power of eminent  
3 domain or relocation or another power granted under this chapter,  
4 makes necessary the relocating, raising, rerouting, changing the  
5 grade of, or altering the construction of a highway, a railroad, an  
6 electric transmission line, telephone or telegraph properties and  
7 facilities, or a pipeline, the necessary relocating, raising,  
8 rerouting, changing of grade, or alteration of construction shall  
9 be accomplished at the sole expense of the district. (Acts 57th  
10 Leg., 3rd C.S., Ch. 43, Sec. 2 (part).)

11 Sec. 6601.105. ADDITION OF TERRITORY TO DISTRICT. (a) In  
12 addition to adding territory as provided by Subchapter J, Chapter  
13 49, Water Code, the district may add territory as provided by this  
14 section. Territory added to the district need not be contiguous to  
15 the district.

16 (b) The owner or owners of land may request by petition that  
17 the board include the land in the district.

18 (c) A petition under Subsection (b) must be filed with the  
19 board and describe the land to be added to the district. The  
20 description may be by metes and bounds or by lot and block number.  
21 The petition must be signed and executed in the manner provided by  
22 law for the conveyance of real estate.

23 (d) The board shall hear and consider a petition filed under  
24 this section. The board may add the land to the district if the  
25 board considers the addition to be to the advantage of the district.

26 (e) A petition granted under this section shall be filed and  
27 recorded in the deed records of Brazoria County. (Acts 57th Leg.,

1 3rd C.S., Ch. 43, Sec. 11.)

2 Sec. 6601.106. MOSQUITO HAZARD. (a) The legislature  
3 finds that to properly drain and reclaim overflowed lands and other  
4 lands needing drainage within the district and to restore and  
5 preserve its waters for beneficial use, it is necessary to reduce  
6 and alleviate the mosquito hazard existing in and around the lands  
7 needing drainage.

8 (b) The board may purchase the equipment and supplies  
9 necessary to conduct mosquito control work and may pay for the labor  
10 necessary to operate and maintain the equipment from money  
11 available for that purpose.

12 (c) If the board determines that an election should be held  
13 to impose a tax for mosquito control work, the tax must be:

14 (1) submitted to the voters in a separate proposition  
15 from any bond tax, maintenance tax, or other tax of the district  
16 considered at the same election; and

17 (2) authorized in the manner provided by Section  
18 49.107, Water Code.

19 (d) The board may enter into a contract with a person, firm,  
20 partnership, or corporation as necessary to obtain and provide  
21 mosquito control. All available revenue accruing from the mosquito  
22 control may be used to defray the cost of the control.

23 (e) Section 311.005(2), Government Code (Code Construction  
24 Act), does not apply to this section. (Acts 57th Leg., 3rd C.S.,  
25 Ch. 43, Sec. 8; New.)

26 Sec. 6601.107. AWARD OF CONTRACTS. A contract for the  
27 making or construction of a district improvement and all necessary

1 work related to the improvement shall be awarded to the lowest  
2 responsible bidder in the manner provided by Article 7919, Revised  
3 Statutes, as amended, if the cost exceeds \$2,000. (Acts 57th Leg.,  
4 3rd C.S., Ch. 43, Sec. 2 (part).)

5 [Sections 6601.108-6601.150 reserved for expansion]

6 SUBCHAPTER D. BONDS AND TAXES

7 Sec. 6601.151. LIMITATION ON DEBT. The total principal  
8 amount of bonds that the district may have outstanding at any time  
9 may not exceed 10 percent of the assessed value of all taxable  
10 property in the district according to the most recent certified  
11 appraisal roll of the district. (Acts 57th Leg., 3rd C.S., Ch. 43,  
12 Sec. 2 (part).)

13 Sec. 6601.152. APPROVAL BY TEXAS COMMISSION ON  
14 ENVIRONMENTAL QUALITY. Before the district spends any money  
15 received from the sale of its bonds, the district must submit the  
16 plans and specifications of the proposed improvements to the Texas  
17 Commission on Environmental Quality for approval. If any  
18 substantial changes are made in the plans, the changes must also be  
19 submitted to the commission for approval. (Acts 57th Leg., 3rd  
20 C.S., Ch. 43, Sec. 2 (part).)

21 Sec. 6601.153. CONTINUATION OF PREVIOUS MAINTENANCE TAX.  
22 The district may continue to levy a maintenance tax authorized by  
23 Chapter 9, Special Laws, Acts of the 41st Legislature, 4th Called  
24 Session, 1930. (Acts 57th Leg., 3rd C.S., Ch. 43, Secs. 5 (part), 9  
25 (part).)

26 Sec. 6601.154. DISTRICT TAX ASSESSOR AND COLLECTOR. The  
27 assessor and collector of taxes for Brazoria County is the assessor

1 and collector of taxes for the district. (Acts 57th Leg., 3rd C.S.,  
2 Ch. 43, Sec. 5 (part).)

3 [Chapters 6602-6900 reserved for expansion]

4 SUBTITLE B. FRESH WATER SUPPLY DISTRICTS

5 CHAPTER 6901. BAYVIEW MUNICIPAL UTILITY DISTRICT  
6 OF GALVESTON COUNTY

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 6901.001. DEFINITIONS

9 Sec. 6901.002. NATURE OF DISTRICT

10 Sec. 6901.003. DECLARATION AND FINDINGS

11 Sec. 6901.004. TERRITORY OF DISTRICT

12 [Sections 6901.005-6901.050 reserved for expansion]

13 SUBCHAPTER B. POWERS AND DUTIES

14 Sec. 6901.051. GENERAL POWERS AND DUTIES

15 Sec. 6901.052. RELATION TO OTHER LAW

16 Sec. 6901.053. BOARD OF DIRECTORS

17 Sec. 6901.054. LIMITATION ON USE OF EMINENT DOMAIN

18 Sec. 6901.055. LIMITATION ON LENGTH OF CERTAIN CONTRACTS

19 Sec. 6901.056. INSTALLATION OF STREET LIGHTS

20 Sec. 6901.057. DISTRICT TAX ASSESSOR AND COLLECTOR

21 Sec. 6901.058. ADDITION OF TERRITORY TO DISTRICT

22 Sec. 6901.059. ACQUISITION OF IMPROVEMENTS

23 Sec. 6901.060. COST OF RELOCATING PROPERTY

24 CHAPTER 6901. BAYVIEW MUNICIPAL UTILITY DISTRICT OF  
25 GALVESTON COUNTY

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 6901.001. DEFINITIONS. In this chapter:

1           (1) "Board" means the board of directors of the  
2 district.

3           (2) "District" means the Bayview Municipal Utility  
4 District of Galveston County, Texas. (V.A.C.S. Art. 8280-287, Sec.  
5 1 (part); New.)

6           Sec. 6901.002. NATURE OF DISTRICT. The Bayview Municipal  
7 Utility District of Galveston County is:

8           (1) a conservation and reclamation district  
9 established under Section 59, Article XVI, Texas Constitution; and

10           (2) a fresh water supply district. (V.A.C.S.  
11 Art. 8280-287, Secs. 1 (part), 7 (part).)

12           Sec. 6901.003. DECLARATION AND FINDINGS. (a) The  
13 legislature declares that the district is:

14           (1) essential to the accomplishment of the purposes of  
15 Section 59, Article XVI, Texas Constitution; and

16           (2) a municipal corporation.

17           (b) The legislature finds that:

18           (1) the district is created to serve a public use and  
19 benefit; and

20           (2) all land and other property included in the  
21 district are, and will be, benefited by the creation of the district  
22 and the improvements that the district purchases, constructs, or  
23 otherwise acquires. (V.A.C.S. Art. 8280-287, Secs. 7 (part), 8.)

24           Sec. 6901.004. TERRITORY OF DISTRICT. The district is  
25 composed of the territory described by Section 1, Chapter 245, Acts  
26 of the 58th Legislature, Regular Session, 1963 (V.A.C.S.  
27 Art. 8280-287), as that territory may have been modified under:

1           (1) Section 6901.058 or its predecessor statute,  
2 Section 5, Chapter 245, Acts of the 58th Legislature, Regular  
3 Session, 1963 (V.A.C.S. Art. 8280-287);

4           (2) Chapter 4, Title 128, Revised Statutes, before  
5 August 30, 1971;

6           (3) Subchapter G, Chapter 53, Water Code, before  
7 September 1, 1995;

8           (4) Subchapter J, Chapter 49, Water Code; or

9           (5) other law. (New.)

10          [Sections 6901.005-6901.050 reserved for expansion]

11                   SUBCHAPTER B. POWERS AND DUTIES

12          Sec. 6901.051. GENERAL POWERS AND DUTIES. The district has  
13 all the rights, powers, privileges, and duties conferred and  
14 imposed by a general law of this state on a fresh water supply  
15 district created under Section 59, Article XVI, Texas Constitution,  
16 including Chapters 49 and 53, Water Code. (V.A.C.S. Art. 8280-287,  
17 Sec. 2 (part).)

18          Sec. 6901.052. RELATION TO OTHER LAW. This chapter  
19 prevails over a provision of a general law described by Section  
20 6901.051 that conflicts with or is inconsistent with this chapter.  
21 (V.A.C.S. Art. 8280-287, Sec. 2 (part).)

22          Sec. 6901.053. BOARD OF DIRECTORS. The board consists of  
23 five directors. (V.A.C.S. Art. 8280-287, Sec. 3 (part).)

24          Sec. 6901.054. LIMITATION ON USE OF EMINENT DOMAIN. The  
25 district may not exercise the power of eminent domain outside the  
26 boundaries of the district. (V.A.C.S. Art. 8280-287, Sec. 2  
27 (part).)



1           Sec. 6901.055.   LIMITATION ON LENGTH OF CERTAIN CONTRACTS.

2   A district contract for the purchase or sale of water may not exceed  
3   40 years. (V.A.C.S. Art. 8280-287, Sec. 2 (part).)

4           Sec. 6901.056.   INSTALLATION OF STREET LIGHTS. (a) After  
5   voter approval, the district may:

6               (1) install, operate, and maintain street lighting  
7   within a public utility easement or public right-of-way inside the  
8   district's boundaries; and

9               (2) assess the cost of installing, operating, and  
10  maintaining the street lighting as an additional charge in the  
11  monthly billings of the district's customers.

12           (b) This section does not authorize the district to install,  
13  operate, or maintain street lighting on a right-of-way that is part  
14  of the designated state highway system. (V.A.C.S. Art. 8280-287,  
15  Sec. 2A.)

16           Sec. 6901.057.   DISTRICT           TAX           ASSESSOR           AND  
17  COLLECTOR. (a) The board shall appoint a tax assessor and  
18  collector for the district for a period not to exceed the term of  
19  office of the directors making the appointment.

20           (b) The district's tax assessor and collector is not  
21  required to be a resident or voter of the district. (V.A.C.S.  
22  Art. 8280-287, Sec. 4 (part).)

23           Sec. 6901.058.   ADDITION OF TERRITORY TO DISTRICT. (a) In  
24  addition to the method of adding territory to a district provided by  
25  Subchapter J, Chapter 49, Water Code, the district may add  
26  territory as provided by this section.

27           (b) The owner or owners of land may request by petition that

1 the board include the land in the district.

2 (c) A petition under Subsection (b) must be filed with the  
3 board and describe the land to be added to the district. The  
4 description may be by metes and bounds or by lot and block number.  
5 The petition must be signed and executed in the manner provided by  
6 law for the conveyance of real estate.

7 (d) The board shall hear and consider a petition filed under  
8 this section. The board may add the land to the district if the  
9 board considers the addition to be to the advantage of the district.

10 (e) A petition granted under this section shall be filed and  
11 recorded in the deed records of Galveston County. (V.A.C.S.  
12 Art. 8280-287, Sec. 5.)

13 Sec. 6901.059. ACQUISITION OF IMPROVEMENTS. The district  
14 may make, construct, or otherwise acquire improvements inside or  
15 outside the district that are necessary or convenient to execute a  
16 power granted to the district under this chapter or a general law  
17 described in Section 6901.051. (V.A.C.S. Art. 8280-287, Sec. 2  
18 (part).)

19 Sec. 6901.060. COST OF RELOCATING PROPERTY. (a) In this  
20 section "sole expense" means the actual cost of the relocating,  
21 raising, lowering, rerouting, changing the grade of, or altering  
22 the construction of a facility described in Subsection (b) in  
23 providing comparable replacement without enhancement of the  
24 facility, after deducting from that cost the net salvage value of  
25 the old facility.

26 (b) If the district, in the exercise of the power of eminent  
27 domain or relocation or another power granted under this chapter,

1 makes necessary the relocating, raising, rerouting, changing the  
2 grade of, or altering the construction of a highway, a railroad, an  
3 electric transmission line, telephone or telegraph properties and  
4 facilities, or a pipeline, the necessary relocating, raising,  
5 rerouting, changing of grade, or alteration of construction shall  
6 be accomplished at the sole expense of the district. (V.A.C.S.  
7 Art. 8280-287, Sec. 2 (part).)

8 [Chapters 6902-7200 reserved for expansion]

9 SUBTITLE C. SPECIAL UTILITY DISTRICTS

10 [Chapters 7201-7500 reserved for expansion]

11 SUBTITLE D. IRRIGATION DISTRICTS

12 [Chapters 7501-7800 reserved for expansion]

13 SUBTITLE E. LEVEE IMPROVEMENT DISTRICTS

14 CHAPTER 7801. BOIS D'ARC ISLAND LEVEE IMPROVEMENT

15 DISTRICT OF DALLAS AND KAUFMAN COUNTIES

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 7801.001. DEFINITIONS

18 Sec. 7801.002. APPLICABILITY OF OTHER LAW

19 [Sections 7801.003-7801.050 reserved for expansion]

20 SUBCHAPTER B. BOARD OF DIRECTORS AND OFFICERS

21 Sec. 7801.051. BOARD

22 Sec. 7801.052. TREASURER

23 [Sections 7801.053-7801.100 reserved for expansion]

24 SUBCHAPTER C. POWERS AND DUTIES

25 Sec. 7801.101. POWERS AND DUTIES OF BOARD

26 Sec. 7801.102. IMPOSITION OF TAXES

27 Sec. 7801.103. ESTABLISHING MINIMUM BENEFIT BASIS

1   Sec. 7801.104.   EXCLUSION OF LAND FROM DISTRICT

2   Sec. 7801.105.   CONVEYANCE OF DISTRICT FACILITIES IN AN  
3                   EXCLUDED AREA

4                   CHAPTER 7801.   BOIS D'ARC ISLAND LEVEE IMPROVEMENT

5                   DISTRICT OF DALLAS AND KAUFMAN COUNTIES

6                   SUBCHAPTER A.   GENERAL PROVISIONS

7           Sec. 7801.001.   DEFINITIONS.   In this chapter:

8                   (1)   "Board"   means   the   board   of   directors   of   the  
9   district.

10                  (2)   "Director" means a member of the board.

11                  (3)   "District" means the Bois d'Arc Island Levee  
12 Improvement District of Dallas and Kaufman Counties. (Acts 70th  
13 Leg., R.S., Ch. 827, Sec. 2; Acts 72nd Leg., R.S., Ch. 357, Sec. 1.)

14           Sec. 7801.002.   APPLICABILITY OF OTHER LAW.   Except as  
15 otherwise provided by this chapter, Chapter 57, Water Code, applies  
16 to the district. (Acts 72nd Leg., R.S., Ch. 357, Sec. 5(a) (part).)

17           [Sections 7801.003-7801.050 reserved for expansion]

18                  SUBCHAPTER B.   BOARD OF DIRECTORS AND OFFICERS

19           Sec. 7801.051.   BOARD.   (a)   The district is governed by a  
20 board of five elected directors.

21                  (b)   A person must indicate on the application for a place on  
22 the ballot the precinct that the person wants to represent.

23                  (c)   An election shall be held on the first Saturday in May of  
24 each even-numbered year to elect the appropriate number of  
25 directors. Except as provided by Subsection (d), directors serve  
26 four-year terms.

27                  (d)   The board shall revise each precinct after each federal

1 decennial census to reflect population changes. At the first  
2 election after the precincts are revised, a new director shall be  
3 elected from each precinct. The directors shall draw lots to  
4 determine which two directors serve two-year terms and which three  
5 directors serve four-year terms. (Acts 72nd Leg., R.S., Ch. 357,  
6 Secs. 2(a) (part), (c), (d); 7(a), (c).)

7 Sec. 7801.052. TREASURER. (a) The board may provide for  
8 the appointment of a treasurer for the district.

9 (b) In addition to the powers and duties provided by other  
10 law, the treasurer has the powers and duties of the county treasurer  
11 under Chapter 57, Water Code. (Acts 72nd Leg., R.S., Ch. 357, Sec.  
12 3.)

13 [Sections 7801.053-7801.100 reserved for expansion]

#### 14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 7801.101. POWERS AND DUTIES OF BOARD. The board has  
16 the powers and duties delegated to the commissioners court and  
17 county judge under Chapter 57, Water Code. (Acts 72nd Leg., R.S.,  
18 Ch. 357, Sec. 5(a) (part).)

19 Sec. 7801.102. IMPOSITION OF TAXES. (a) The Tax Code  
20 governs the imposition of district taxes.

21 (b) The board may provide for the appointment of a tax  
22 assessor-collector or may contract for the imposition of taxes with  
23 Dallas County or Kaufman County or with another person as provided  
24 by the Tax Code. (Acts 70th Leg., R.S., Ch. 827, Sec. 5 (part); Acts  
25 72nd Leg., R.S., Ch. 357, Sec. 4.)

26 Sec. 7801.103. ESTABLISHING MINIMUM BENEFIT  
27 BASIS. (a) If the district levies taxes on the benefit basis, the

1 board may establish a minimum benefit that will accrue to each piece  
2 of taxable property in the district.

3 (b) The board shall serve as the commissioners of  
4 appraisement. (Acts 70th Leg., R.S., Ch. 827, Sec. 5 (part).)

5 Sec. 7801.104. EXCLUSION OF LAND FROM DISTRICT. If the  
6 district does not have outstanding bonds payable in whole or in part  
7 from taxes, the board may exclude land from the district as provided  
8 by Subchapter J, Chapter 49, Water Code. (Acts 70th Leg., R.S., Ch.  
9 827, Sec. 3.)

10 Sec. 7801.105. CONVEYANCE OF DISTRICT FACILITIES IN AN  
11 EXCLUDED AREA. (a) If the district has facilities located in an  
12 area that is excluded from the district, the board may convey those  
13 facilities to another governmental entity that agrees to assume the  
14 responsibility for flood protection for the excluded area.

15 (b) A conveyance under this section may:

16 (1) be on the terms determined by the board; and

17 (2) include a right-of-way, easement, or fee title to  
18 land on which the facilities are located. (Acts 70th Leg., R.S.,  
19 Ch. 827, Sec. 4.)

20 [Chapters 7802-8100 reserved for expansion]

21 SUBTITLE F. MUNICIPAL UTILITY DISTRICTS

22 CHAPTER 8101. ATHENS MUNICIPAL WATER AUTHORITY

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 8101.001. DEFINITIONS

25 Sec. 8101.002. NATURE OF AUTHORITY

26 Sec. 8101.003. FINDING OF BENEFIT AND PUBLIC PURPOSE

27 Sec. 8101.004. LIBERAL CONSTRUCTION OF CHAPTER

1           [Sections 8101.005-8101.050 reserved for expansion]  
2           SUBCHAPTER B. DISTRICT TERRITORY AND ANNEXATIONS  
3                       TO DISTRICT TERRITORY  
4   Sec. 8101.051. BOUNDARIES  
5   Sec. 8101.052. ANNEXATIONS OF TERRITORY  
6   Sec. 8101.053. LIMITATION ON ASSUMPTION OF TAX  
7                       OBLIGATIONS  
8           [Sections 8101.054-8101.100 reserved for expansion]  
9           SUBCHAPTER C. BOARD OF DIRECTORS  
10   Sec. 8101.101. GENERAL POWERS  
11   Sec. 8101.102. ELIGIBILITY TO SERVE  
12   Sec. 8101.103. DIRECTORS ELECTION  
13   Sec. 8101.104. BALLOT PROCEDURE FOR CANDIDATES  
14   Sec. 8101.105. APPOINTMENT OF SECRETARY AND TREASURER  
15   Sec. 8101.106. VOTE BY BOARD PRESIDENT  
16   Sec. 8101.107. DIRECTOR'S AND TREASURER'S BOND  
17   Sec. 8101.108. COMPENSATION  
18           [Sections 8101.109-8101.150 reserved for expansion]  
19           SUBCHAPTER D. POWERS AND DUTIES  
20   Sec. 8101.151. POWERS AND DUTIES  
21   Sec. 8101.152. WATER SUPPLY AND DISTRIBUTION  
22   Sec. 8101.153. WASTE SERVICES  
23   Sec. 8101.154. EMINENT DOMAIN  
24   Sec. 8101.155. COST OF RELOCATING PROPERTY  
25   Sec. 8101.156. CONSTRUCTION OR PURCHASE CONTRACTS  
26   Sec. 8101.157. CONTRACTS WITH MUNICIPALITIES AND OTHERS  
27           [Sections 8101.158-8101.200 reserved for expansion]

1                   SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

2   Sec. 8101.201. TAX METHOD

3   Sec. 8101.202. TAX ASSESSOR AND COLLECTOR

4   Sec. 8101.203. DEPOSITORY

5                   [Sections 8101.204-8101.250 reserved for expansion]

6                   SUBCHAPTER F. BONDS

7   Sec. 8101.251. AUTHORITY TO ISSUE BONDS

8   Sec. 8101.252. REFUNDING BONDS

9   Sec. 8101.253. FORM OF BONDS

10   Sec. 8101.254. MATURITY

11   Sec. 8101.255. TRUST INDENTURE

12   Sec. 8101.256. ELECTION FOR BONDS PAYABLE FROM AD VALOREM

13                   TAXES

14   Sec. 8101.257. BOND SECURITY; REVENUE; TAXES;

15                   ADDITIONAL BONDS

16   Sec. 8101.258. ADDITIONAL SECURITY

17   Sec. 8101.259. CHARGES FOR AUTHORITY SERVICES

18   Sec. 8101.260. USE OF BOND PROCEEDS

19   Sec. 8101.261. APPOINTMENT OF RECEIVER

20   Sec. 8101.262. BONDS SECURED BY CONTRACT PROCEEDS;

21                   APPROVAL

22   Sec. 8101.263. BONDS EXEMPT FROM TAXATION

23   Sec. 8101.264. PROPERTY EXEMPT FROM TAXATION AND

24                   ASSESSMENT

25                   CHAPTER 8101. ATHENS MUNICIPAL WATER AUTHORITY

26                   SUBCHAPTER A. GENERAL PROVISIONS

27   Sec. 8101.001. DEFINITIONS. In this chapter:



1           (1) "Authority" means the Athens Municipal Water  
2 Authority.

3           (2) "Board" means the authority's board of directors.  
4 (V.A.C.S. Art. 8280-196, Sec. 1 (part); New.)

5           Sec. 8101.002. NATURE OF AUTHORITY. The authority is a  
6 conservation and reclamation district in Henderson County.  
7 (V.A.C.S. Art. 8280-196, Secs. 1 (part), 2(a) (part).)

8           Sec. 8101.003. FINDING OF BENEFIT AND PUBLIC  
9 PURPOSE. (a) The legislature finds that:

10           (1) all of the lands and other property included in the  
11 boundaries of the authority will benefit from the improvements and  
12 facilities to be constructed, acquired, or otherwise provided under  
13 this chapter; and

14           (2) the authority is created to serve a public use and  
15 benefit.

16           (b) The authority is created under and is essential to  
17 accomplish the purposes of Section 59, Article XVI, Texas  
18 Constitution.

19           (c) The accomplishment of the purposes stated in this  
20 chapter are for the benefit of the people of this state and for the  
21 improvement of their properties and industries. The authority in  
22 carrying out the purposes of this chapter will be performing an  
23 essential public function under the constitution of this state.  
24 (V.A.C.S. Art. 8280-196, Secs. 1 (part), 2(a) (part), 12 (part), 14  
25 (part).)

26           Sec. 8101.004. LIBERAL CONSTRUCTION OF CHAPTER. This  
27 chapter shall be liberally construed to effect its purposes.

1 (V.A.C.S. Art. 8280-196, Sec. 12 (part).)

2 [Sections 8101.005-8101.050 reserved for expansion]

3 SUBCHAPTER B. DISTRICT TERRITORY AND ANNEXATIONS

4 TO DISTRICT TERRITORY

5 Sec. 8101.051. BOUNDARIES. (a) The authority is in  
6 Henderson County and, unless modified as provided by Section  
7 8101.052 or by Subchapter J, Chapter 49, Water Code, the boundaries  
8 of the authority are coextensive with the corporate limits of the  
9 city of Athens, Henderson County, Texas, as those corporate limits  
10 existed on May 2, 1957.

11 (b) Territory annexed by the City of Athens after May 2,  
12 1957, does not become a part of the authority solely because of its  
13 annexation to the city.

14 (c) A defect or irregularity in the boundaries of the city  
15 of Athens as they existed on May 2, 1957, or in a proceeding related  
16 to the territory of or an annexation by the city before that date  
17 does not affect the validity of the authority or any of its rights,  
18 powers, privileges, or functions. (V.A.C.S. Art. 8280-196, Sec.  
19 2(a) (part).)

20 Sec. 8101.052. ANNEXATIONS OF TERRITORY. (a) The board,  
21 as provided by this section, may annex territory the City of Athens  
22 annexes after May 2, 1957. The authority may not annex territory  
23 under this section if bonds supported by ad valorem taxes  
24 previously voted on remain unissued and unsold.

25 (b) The board by order may set a date for a hearing on the  
26 annexation and hold the hearing on that date.

27 (c) Notice of the hearing must:

1           (1) be posted in three public places in the territory  
2 proposed to be annexed at least 15 days before the date set for the  
3 hearing; and

4           (2) contain a statement of the nature and purpose of  
5 the hearing and the date, time, and place of the hearing.

6           (d) A person whose land is included in or would be affected  
7 by the annexation may:

8           (1) appear at the hearing to contest the annexation;  
9 and

10          (2) offer testimony to show that the annexation would  
11 or would not benefit land proposed to be annexed.

12          (e) The board shall enter a resolution ordering the  
13 annexation and designating the territory if the board finds as a  
14 result of the hearing that the proposed annexation is feasible and  
15 practicable and would benefit the land proposed to be annexed. The  
16 board may designate the territory by reference to the city's  
17 annexation ordinance or in another manner.

18          (f) The board shall refuse the proposed annexation if the  
19 board finds as a result of the hearing that the annexation does not  
20 satisfy the requirements of Subsection (e). (V.A.C.S.  
21 Art. 8280-196, Secs. 2(b), (c) (part).)

22          Sec. 8101.053. LIMITATION ON ASSUMPTION OF TAX  
23 OBLIGATIONS. (a) The authority may not impose on territory the  
24 authority annexes under Section 8101.052 a tax obligation the  
25 authority incurred before annexation unless:

26           (1) the owners of the land annexed provide written  
27 consent for the assumption of that tax obligation; or

1           (2) at an election held for that purpose in the  
2 territory, a majority of the voters of the territory approve the  
3 assumption of that tax obligation.

4           (b) The notice provisions of Section 49.106, Water Code,  
5 apply to an election held under this section.

6           (c) The election notice must be published in a newspaper  
7 published in the city of Athens. If a newspaper is not published in  
8 the city of Athens, it is sufficient to post notices at three public  
9 places in that city at least 28 days before the date of the  
10 election. (V.A.C.S. Art. 8280-196, Sec. 2(c) (part).)

11           [Sections 8101.054-8101.100 reserved for expansion]

12                       SUBCHAPTER C. BOARD OF DIRECTORS

13           Sec. 8101.101. GENERAL POWERS. The board consists of five  
14 directors. (V.A.C.S. Art. 8280-196, Sec. 3(a) (part).)

15           Sec. 8101.102. ELIGIBILITY TO SERVE. (a) A director must  
16 reside in and own taxable property in the authority.

17           (b) A person may not serve as a director if the person is:

18                       (1) a member of a governing body of a municipality; or

19                       (2) an employee of a municipality. (V.A.C.S.  
20 Art. 8280-196, Sec. 3(a) (part).)

21           Sec. 8101.103. DIRECTORS ELECTION. (a) The board shall  
22 issue an order for each directors election stating the time, place,  
23 and purpose of the election.

24           (b) Notice of a directors election shall be published in a  
25 newspaper of general circulation in the authority's territory one  
26 time at least 30 days before the date of the election.

27           (c) The appropriate number of candidates who receive the

1 highest number of votes shall be declared elected. (V.A.C.S.  
2 Art. 8280-196, Sec. 3(c) (part).)

3 Sec. 8101.104. BALLOT PROCEDURE FOR CANDIDATES. (a) A  
4 person who wants to have the person's name printed on the ballot as  
5 a candidate for director must submit a petition to the board  
6 secretary requesting that action.

7 (b) The petition must be:

8 (1) signed by at least 50 qualified voters; and

9 (2) presented to the secretary not later than the 21st  
10 day before the date of the election. (V.A.C.S. Art. 8280-196, Sec.  
11 3(d).)

12 Sec. 8101.105. APPOINTMENT OF SECRETARY AND TREASURER. The  
13 board shall appoint a secretary and a treasurer. The board may  
14 combine those offices. The secretary or treasurer is not required  
15 to be a director. (V.A.C.S. Art. 8280-196, Sec. 3(g) (part).)

16 Sec. 8101.106. VOTE BY BOARD PRESIDENT. The president has  
17 the same right to vote as any other director. (V.A.C.S.  
18 Art. 8280-196, Sec. 3(g) (part).)

19 Sec. 8101.107. DIRECTOR'S AND TREASURER'S BOND. (a) A  
20 director shall give bond in the amount of \$5,000 for the faithful  
21 performance of the director's duties.

22 (b) The treasurer shall give bond in an amount required by  
23 the board, conditioned on the treasurer's faithfully accounting for  
24 all money that comes into the treasurer's custody. (V.A.C.S.  
25 Art. 8280-196, Secs. 3(a) (part), (g) (part).)

26 Sec. 8101.108. COMPENSATION. Unless the board by  
27 resolution increases the fee to an amount authorized by Section

1 49.060, Water Code, each director shall receive a fee not to exceed  
2 \$10 for attending each board meeting and a fee not to exceed \$10 for  
3 each day devoted to authority business. (V.A.C.S. Art. 8280-196,  
4 Sec. 3(f) (part).)

5 [Sections 8101.109-8101.150 reserved for expansion]

6 SUBCHAPTER D. POWERS AND DUTIES

7 Sec. 8101.151. POWERS AND DUTIES. The authority has:

- 8 (1) all the powers of a governmental agency; and  
9 (2) the rights, powers, privileges, and functions  
10 that:

11 (A) may be contemplated and implied by Section  
12 59, Article XVI, Texas Constitution; or

13 (B) are conferred by the general laws of the  
14 state relating to water control and improvement districts,  
15 including Chapters 49 and 51, Water Code, unless those rights,  
16 powers, privileges, or functions conflict with this chapter.  
17 (V.A.C.S. Art. 8280-196, Secs. 1 (part), 13 (part).)

18 Sec. 8101.152. WATER SUPPLY AND DISTRIBUTION. (a) The  
19 authority may develop, construct, or purchase dams, reservoirs, and  
20 underground or other sources of water.

21 (b) The authority may construct or purchase all works,  
22 plants, and other facilities necessary or useful to:

- 23 (1) provide a source of water supply;  
24 (2) store and process the water; and  
25 (3) transport and distribute the water for municipal,  
26 domestic, and industrial purposes. (V.A.C.S. Art. 8280-196, Sec. 4  
27 (part).)

1           Sec. 8101.153. WASTE SERVICES. To preserve and protect the  
2   purity of the waters of the authority and this state and to conserve  
3   and reclaim those waters for beneficial use by the inhabitants of  
4   the authority, the authority may provide all plants, works,  
5   facilities, and appliances incident to, helpful to, or necessary to  
6   collect, transport, process, dispose of, and control all domestic,  
7   industrial, or communal wastes, whether fluid, solid, or composite.  
8   (V.A.C.S. Art. 8280-196, Sec. 4 (part).)

9           Sec. 8101.154. EMINENT DOMAIN. (a) The authority may  
10   exercise the power of eminent domain to acquire land and easements  
11   to carry out any power conferred by this chapter.

12          (b) The authority must exercise the power of eminent domain  
13   in the manner provided by Chapter 21, Property Code.

14          (c) The board shall determine the amount of and character of  
15   interest in land and easements to be acquired. (V.A.C.S.  
16   Art. 8280-196, Sec. 5 (part).)

17          Sec. 8101.155. COST OF RELOCATING PROPERTY. If the  
18   authority, in the exercise of the power of eminent domain, the power  
19   of relocation, or any other power granted under this chapter, makes  
20   necessary relocating, raising, rerouting, changing the grade of, or  
21   altering the construction of any highway, railroad, electric  
22   transmission line, or pipeline or telephone or telegraph property  
23   or facility, the authority is solely responsible for the expense of  
24   that necessary action. (V.A.C.S. Art. 8280-196, Sec. 5 (part).)

25          Sec. 8101.156. CONSTRUCTION                   OR                   PURCHASE  
26   CONTRACTS. (a) Except as provided by Subsection (e), the  
27   authority shall award a construction contract or contract for the

1 purchase of materials, equipment, or supplies requiring an  
2 expenditure of more than \$2,000 to the lowest and best bidder.

3 (b) Notice to bidders must be published once each week for  
4 two weeks before the contract is awarded.

5 (c) The notice is sufficient if it states:

6 (1) the time and place for opening the bids;

7 (2) the general nature of the work to be done or the  
8 material, equipment, or supplies to be purchased; and

9 (3) where and how copies of the plans and  
10 specifications may be obtained.

11 (d) The notice must be printed in a newspaper that is  
12 designated by the board and that is published in Henderson County.

13 (e) This section does not apply to the purchase of a system  
14 or part of a system in existence at the time of the purchase.  
15 (V.A.C.S. Art. 8280-196, Sec. 6.)

16 Sec. 8101.157. CONTRACTS WITH MUNICIPALITIES AND  
17 OTHERS. (a) The authority may contract with municipalities and  
18 others for supplying services to them.

19 (b) The authority may contract with any municipality for the  
20 rental, lease, or operation of the water production, water supply,  
21 and water supply facilities of the authority for the consideration  
22 agreed to by the authority and the municipality.

23 (c) The authority may contract with any municipality for the  
24 rental, lease, or operation of the water production, water supply,  
25 and water supply facilities or sanitary sewer system of the  
26 municipality for the consideration agreed to by the authority and  
27 the municipality.



1 (d) A contract under this section:

2 (1) may be on the terms and for the period to which the  
3 parties agree; and

4 (2) may provide that the contract continues in effect  
5 until the bonds specified by the contract and refunding bonds  
6 issued in place of those bonds are paid. (V.A.C.S. Art. 8280-196,  
7 Sec. 9.)

8 [Sections 8101.158-8101.200 reserved for expansion]

9 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

10 Sec. 8101.201. TAX METHOD. The authority shall use the ad  
11 valorem plan of taxation. (V.A.C.S. Art. 8280-196, Sec. 13  
12 (part).)

13 Sec. 8101.202. TAX ASSESSOR AND COLLECTOR. Before issuing  
14 bonds payable wholly or partly from ad valorem taxes or imposing ad  
15 valorem taxes for any other purpose, the board shall:

16 (1) appoint a tax assessor and collector;

17 (2) provide for taxes to be assessed; and

18 (3) provide for the preparation of tax rolls.  
19 (V.A.C.S. Art. 8280-196, Sec. 8 (part).)

20 Sec. 8101.203. DEPOSITORY. (a) The board shall designate  
21 one or more banks to serve as depository for the authority's money.

22 (b) All of the authority's money shall be deposited in the  
23 depository bank or banks, except that:

24 (1) money pledged to pay bonds may be deposited with  
25 the trustee bank or banks named in the trust indenture; and

26 (2) money for payment of the principal of and interest  
27 on bonds shall be remitted to the bank of payment.

1           (c) To the extent that money in the depository banks and the  
2 trustee bank are not insured by the Federal Deposit Insurance  
3 Corporation, they must be secured in the manner provided by law for  
4 the security of county funds.

5           (d) Before designating a depository bank or banks, the board  
6 shall issue a notice that:

7               (1) states the time and place of the board's meeting  
8 for that purpose; and

9               (2) invites the banks to submit applications to be  
10 designated depositories.

11          (e) The notice must be published one time in a newspaper  
12 published in the city of Athens at least 10 days before the date set  
13 for receiving applications.

14          (f) The board shall prescribe the terms of service for  
15 depositories.

16          (g) At the time mentioned in the notice, the board shall:

17               (1) consider the applications and the management and  
18 condition of the banks filing applications; and

19               (2) designate as depository the bank or banks that:

20                   (A) offer the most favorable terms for handling  
21 the authority's money; and

22                   (B) the board finds have proper management and  
23 are in condition to handle the authority's money.

24          (h) If the board does not receive any applications by the  
25 time stated in the notice, or if the board rejects all applications,  
26 the board shall designate a bank or banks on terms it finds  
27 advantageous to the authority. (V.A.C.S. Art. 8280-196, Sec. 10.)

1 [Sections 8101.204-8101.250 reserved for expansion]

2 SUBCHAPTER F. BONDS

3 Sec. 8101.251. AUTHORITY TO ISSUE BONDS. (a) The  
4 authority may issue bonds to:

5 (1) purchase or otherwise provide works, plants,  
6 facilities, or appliances necessary to accomplish the purposes  
7 authorized by this chapter; or

8 (2) exercise any other power conferred by this  
9 chapter.

10 (b) Bonds issued by the authority must be payable from  
11 revenue or ad valorem taxes. If bonds are payable wholly from  
12 revenue, the revenue may be pledged by board resolution without an  
13 election. (V.A.C.S. Art. 8280-196, Sec. 7(a) (part).)

14 Sec. 8101.252. REFUNDING BONDS. (a) The authority may  
15 issue refunding bonds to refund outstanding bonds issued under this  
16 subchapter and interest on those bonds.

17 (b) Refunding bonds may:

18 (1) be issued to refund bonds of more than series;

19 (2) combine the pledges for the outstanding bonds for  
20 the security of the refunding bonds; or

21 (3) be secured by a pledge of other or additional  
22 revenue or mortgage liens.

23 (c) The provisions of this subchapter regarding the  
24 issuance of other bonds, their security, and the remedies of the  
25 holders apply to refunding bonds, except that an election is not  
26 required for refunding bonds.

27 (d) The comptroller shall register the refunding bonds on

1     surrender and cancellation of the bonds to be refunded.

2             (e) Instead of issuing bonds to be registered on the  
3     surrender and cancellation of the bonds to be refunded, the  
4     authority, in the resolution authorizing the issuance of the  
5     refunding bonds, may provide for the sale of the refunding bonds and  
6     the deposit of the proceeds in a bank at which the bonds to be  
7     refunded are payable. In that case, the refunding bonds may be  
8     issued in an amount sufficient to pay the principal of and interest  
9     on the bonds to be refunded to their option date or maturity date,  
10    and the comptroller shall register the refunding bonds without the  
11    surrender and cancellation of the bonds to be refunded. (V.A.C.S.  
12    Art. 8280-196, Sec. 7(g).)

13            Sec. 8101.253. FORM OF BONDS. (a) An authority bond must:

- 14                   (1) be issued in the name of the authority;  
15                   (2) be signed by the president;  
16                   (3) be attested to by the secretary; and  
17                   (4) have the authority seal impressed on it or a  
18    facsimile seal printed on it.

19            (b) At the option of the board, a bond may be signed in  
20    accordance with Chapter 618, Government Code. (V.A.C.S.  
21    Art. 8280-196, Sec. 7(a) (part).)

22            Sec. 8101.254. MATURITY. Bonds issued under this  
23    subchapter must mature within 40 years. (V.A.C.S. Art. 8280-196,  
24    Sec. 7(a) (part).)

25            Sec. 8101.255. TRUST INDENTURE. The trust indenture may  
26    contain provisions prescribed by the board that:

- 27                   (1) provide for the security of the bonds and the

1 operation and preservation of the trust estate;

2 (2) provide for amendment or modification of the trust  
3 indenture;

4 (3) provide for the issuance of bonds to replace lost  
5 or mutilated bonds; and

6 (4) condition the right to spend authority money or  
7 sell authority property on the approval of a licensed engineer  
8 selected as provided by the trust indenture. (V.A.C.S.  
9 Art. 8280-196, Sec. 7(i).)

10 Sec. 8101.256. ELECTION FOR BONDS PAYABLE FROM AD VALOREM  
11 TAXES. The authority may not issue bonds payable wholly or partly  
12 from ad valorem taxes unless the voters of the authority authorize  
13 that issuance at an election held for that purpose in the manner  
14 prescribed by Section 49.106, Water Code. (V.A.C.S. Art. 8280-196,  
15 Sec. 7(a) (part).)

16 Sec. 8101.257. BOND SECURITY; REVENUE; TAXES; ADDITIONAL  
17 BONDS. (a) In this section, "net revenue" means the gross revenue  
18 of the authority after deducting the amount necessary to pay the  
19 cost of maintaining and operating the authority, including its  
20 properties.

21 (b) Bonds issued under this subchapter may be secured by:

22 (1) a pledge of all or part of the net revenue of the  
23 authority, including the net revenue of a past or future contract;  
24 or

25 (2) other revenue and income specified by resolution  
26 of the board or the trust indenture.

27 (c) If bonds are issued payable wholly or partly from taxes,

1 the board shall impose taxes on all taxable property in the  
2 authority without limit as to rate or amount while those bonds are  
3 outstanding. The board shall impose the taxes in amounts:

4 (1) sufficient to pay the principal of and interest on  
5 the bonds annually as they mature; or

6 (2) required to supplement the net revenue pledged to  
7 the bonds' payment so that the principal of and interest on the  
8 bonds are paid when due.

9 (d) A bond security pledge under this section may reserve to  
10 the authority the right, under conditions specified by the pledge,  
11 to issue additional bonds that will be on a parity with or  
12 subordinate to the bonds then being issued. (V.A.C.S.  
13 Art. 8280-196, Sec. 7(c).)

14 Sec. 8101.258. ADDITIONAL SECURITY. (a) Bonds, including  
15 refunding bonds, payable partly or wholly from a pledge of revenue  
16 authorized by this subchapter may be additionally secured by a  
17 mortgage lien on physical properties of the authority and all  
18 franchises, easements, water rights and appropriation permits,  
19 leases, contracts, and all rights appurtenant to those properties,  
20 vesting in the trustee under the trust indenture the power to:

21 (1) sell the properties for payment of the debt;

22 (2) operate the properties; and

23 (3) take any other action to secure the bonds.

24 (b) A purchaser under a sale under the deed of trust:

25 (1) is the absolute owner of the properties and  
26 facilities purchased; and

27 (2) is entitled to maintain and operate those

1 properties and facilities. (V.A.C.S. Art. 8280-196, Sec. 7(h).)

2       Sec. 8101.259. CHARGES FOR AUTHORITY SERVICES. The board  
3 shall set the rates of compensation for services rendered by the  
4 authority so that the authority has enough money to pay the expenses  
5 of operating and maintaining the facilities of the authority, to  
6 pay bonds as they mature and the interest as it accrues, and to  
7 maintain the reserve and other funds as provided in the resolution  
8 authorizing the bonds or in the trust indenture. (V.A.C.S.  
9 Art. 8280-196, Sec. 7(d).)

10       Sec. 8101.260. USE OF BOND PROCEEDS. (a) The authority  
11 may set aside and use proceeds from bond sales for:

12               (1) the payment of interest expected to accrue during  
13 construction and the first year after construction; and

14               (2) a reserve interest and sinking fund.

15       (b) The authority may provide in the resolution authorizing  
16 the bonds or in the trust indenture for setting aside and using the  
17 proceeds as described by Subsection (a).

18       (c) The authority may use proceeds from the sale of bonds to  
19 pay an expense incurred in accomplishing the purposes of the  
20 authority. (V.A.C.S. Art. 8280-196, Sec. 7(e).)

21       Sec. 8101.261. APPOINTMENT OF RECEIVER. (a) On default  
22 or threatened default in the payment of the principal of or interest  
23 on bonds issued under this subchapter that are payable wholly or  
24 partly from revenue, a court may, on petition of the holders of  
25 outstanding bonds, appoint a receiver for the authority.

26       (b) The receiver, without consent of or hindrance by the  
27 board, may:

- 1           (1) collect and receive all authority income;
- 2           (2) employ and discharge authority agents and
- 3 employees;
- 4           (3) take charge of money on hand; and
- 5           (4) manage the affairs of the authority.

6           (c) The receiver may be authorized to sell or contract for  
7 the sale of services of the authority's facilities or to renew those  
8 contracts with the approval of the appointing court.

9           (d) The court may vest the receiver with any other power or  
10 duty the court finds necessary to protect the bondholders.

11           (e) The resolution that authorizes the issuance of the bonds  
12 or the trust indenture securing their payment may:

13           (1) specify the minimum percentage of outstanding  
14 bonds that must be held by the bondholders seeking the appointment  
15 of a receiver; or

16           (2) otherwise qualify the right of bondholders to  
17 institute litigation that might affect the authority's property,  
18 including money. (V.A.C.S. Art. 8280-196, Sec. 7(f).)

19           Sec. 8101.262. BONDS SECURED BY CONTRACT PROCEEDS;  
20 APPROVAL. (a) If bonds issued under this subchapter state that  
21 they are secured by a pledge of the proceeds of a contract  
22 previously made between the authority and a municipality or other  
23 governmental agency, including a district, a copy of that contract  
24 and the proceedings of the entity authorizing the contract must be  
25 submitted to the attorney general along with the bonds.

26           (b) If the attorney general finds that the bonds have been  
27 authorized and the contract has been made in accordance with law,



1 the attorney general shall approve the bonds and contract.  
2 (V.A.C.S. Art. 8280-196, Sec. 7(j) (part).)

3 Sec. 8101.263. BONDS EXEMPT FROM TAXATION. A bond issued  
4 under this subchapter, the transfer of the bond, and income from the  
5 bond, including profits made on the sale of the bond, are exempt  
6 from taxation in this state. (V.A.C.S. Art. 8280-196, Sec. 14  
7 (part).)

8 Sec. 8101.264. PROPERTY EXEMPT FROM TAXATION AND  
9 ASSESSMENT. Property of the authority is exempt from taxation and  
10 assessment. (V.A.C.S. Art. 8280-196, Sec. 14 (part).)

11 CHAPTER 8102. ADDICKS UTILITY DISTRICT

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 8102.001. DEFINITION

14 Sec. 8102.002. CREATION; NATURE OF DISTRICT

15 Sec. 8102.003. LEGISLATIVE FINDINGS

16 Sec. 8102.004. DISTRICT TERRITORY

17 [Sections 8102.005-8102.050 reserved for expansion]

18 SUBCHAPTER B. BOARD OF DIRECTORS

19 Sec. 8102.051. DIRECTORS

20 [Sections 8102.052-8102.100 reserved for expansion]

21 SUBCHAPTER C. DISTRICT RIGHTS, POWERS, AND FUNCTIONS

22 Sec. 8102.101. GENERAL RIGHTS, POWERS, PRIVILEGES, AND

23 FUNCTIONS

24 CHAPTER 8102. ADDICKS UTILITY DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 8102.001. DEFINITION. In this chapter, "district"  
27 means "Addicks Utility District." (V.A.C.S. Art. 8280-548, Sec. 1

1 (part).)

2       Sec. 8102.002. CREATION; NATURE OF DISTRICT. The district  
3 is a conservation and reclamation district in Harris County, Texas,  
4 created under Section 59, Article XVI, Texas Constitution.  
5 (V.A.C.S. Art. 8280-548, Sec. 1 (part).)

6       Sec. 8102.003. LEGISLATIVE FINDINGS. The legislature finds  
7 that:

8           (1) the creation and establishment of the district is  
9 essential to accomplish the purposes of Section 59, Article XVI,  
10 Texas Constitution;

11           (2) all land and other property included in the  
12 boundaries of the district will be benefited by the works and  
13 projects accomplished by the district under the powers conferred by  
14 Section 59, Article XVI, Texas Constitution; and

15           (3) the district is created to serve a public use and  
16 benefit. (V.A.C.S. Art. 8280-548, Secs. 1 (part), 3.)

17       Sec. 8102.004. DISTRICT TERRITORY. (a) The district is  
18 composed of the territory described by Section 4, Chapter 661, Acts  
19 of the 62nd Legislature, Regular Session, 1971 (V.A.C.S. Article  
20 8280-548), as that territory may have been modified under:

21           (1) Subchapter J, Chapter 49, Water Code; or

22           (2) other law.

23       (b) The legislature finds that the boundaries and field  
24 notes of the district contained in Section 4, Chapter 661, Acts of  
25 the 62nd Legislature, Regular Session, 1971 (V.A.C.S. Article  
26 8280-548), form a closure. A mistake in the field notes or in  
27 copying the field notes in the legislative process does not affect:

1           (1) the organization, existence, or validity of the  
2 district;

3           (2) the right of the district to issue any type of  
4 bonds for the purposes for which the district is created or to pay  
5 the principal and interest on the bonds;

6           (3) the right of the district to impose taxes; or

7           (4) the legality or operation of the district or its  
8 governing body. (V.A.C.S. Art. 8280-548, Sec. 2; New.)

9           [Sections 8102.005-8102.050 reserved for expansion]

#### 10                   SUBCHAPTER B. BOARD OF DIRECTORS

11           Sec. 8102.051. DIRECTORS. Directors are elected or  
12 appointed and serve for the terms and in the manner provided by  
13 Chapter 49, Water Code. (V.A.C.S. Art. 8280-548, Sec. 6 (part).)

14           [Sections 8102.052-8102.100 reserved for expansion]

#### 15                   SUBCHAPTER C. DISTRICT RIGHTS, POWERS, AND FUNCTIONS

16           Sec. 8102.101. GENERAL RIGHTS, POWERS, PRIVILEGES, AND  
17 FUNCTIONS. (a) The district has all of the rights, powers,  
18 privileges, and functions provided by the general laws of this  
19 state applicable to municipal utility districts, including  
20 Chapters 49 and 54, Water Code.

21           (b) If a provision of a general law that applies to  
22 municipal utility districts is in conflict or inconsistent with  
23 this chapter, this chapter prevails. (V.A.C.S. Art. 8280-548, Sec.  
24 5 (part).)

25           [Chapters 8103-8500 reserved for expansion]

#### 26                   SUBTITLE G. RIVER AUTHORITIES

#### 27                   CHAPTER 8501. ANGELINA AND NECHES RIVER AUTHORITY

1 SUBCHAPTER A. GENERAL PROVISIONS

2 Sec. 8501.001. DEFINITIONS

3 Sec. 8501.002. WATER RIGHTS NOT AFFECTED

4 Sec. 8501.003. REGULAR OFFICE OF AUTHORITY

5 Sec. 8501.004. RECORDS

6 Sec. 8501.005. LIBERAL CONSTRUCTION

7 [Sections 8501.006-8501.050 reserved for expansion]

8 SUBCHAPTER B. NATURE AND TERRITORY

9 Sec. 8501.051. CREATION AND NATURE OF AUTHORITY

10 Sec. 8501.052. TERRITORY

11 [Sections 8501.053-8501.100 reserved for expansion]

12 SUBCHAPTER C. BOARD OF DIRECTORS AND EMPLOYEES

13 Sec. 8501.101. MEMBERSHIP OF BOARD

14 Sec. 8501.102. TERMS

15 Sec. 8501.103. VACANCY

16 Sec. 8501.104. OATH AND BOND REQUIREMENT FOR DIRECTOR

17 Sec. 8501.105. COMPENSATION OF DIRECTORS

18 Sec. 8501.106. QUORUM RELATING TO CONSTRUCTION MATTERS

19 Sec. 8501.107. OFFICERS

20 Sec. 8501.108. MEETINGS

21 Sec. 8501.109. EMPLOYMENT PREFERENCE

22 Sec. 8501.110. REMOVAL OF EMPLOYEE

23 Sec. 8501.111. COMPENSATION OF EMPLOYEES

24 Sec. 8501.112. DIRECTOR'S, OFFICER'S, OR EMPLOYEE'S SURETY

25 BOND

26 Sec. 8501.113. CONFLICT OF INTEREST; CRIMINAL PENALTY

27 [Sections 8501.114-8501.150 reserved for expansion]

1                               SUBCHAPTER D.  POWERS AND DUTIES

2   Sec. 8501.151.  POWERS UNDER CONSTITUTION AND OTHER LAW

3   Sec. 8501.152.  APPLICABILITY OF WATER CODE

4   Sec. 8501.153.  STATE SUPERVISION AND APPROVAL

5   Sec. 8501.154.  GENERAL POWERS RELATING TO WATER

6   Sec. 8501.155.  POWERS RELATING TO PARTICULAR PURPOSES

7   Sec. 8501.156.  POWERS RELATING TO FLOODING

8   Sec. 8501.157.  POWERS RELATING TO USE OF WATER IN GENERAL

9   Sec. 8501.158.  POWERS RELATING TO DOMESTIC, COMMERCIAL, OR

10                           INDUSTRIAL USE OF WATER

11   Sec. 8501.159.  POWERS RELATING TO USE OF WATER FOR

12                           IRRIGATION

13   Sec. 8501.160.  POWERS RELATING TO DRAINAGE OF WATER

14   Sec. 8501.161.  POWERS RELATING TO ACQUISITION OR OPERATION

15                           OF WORKS, LAND, OR OTHER PROPERTY

16   Sec. 8501.162.  ADDITIONAL POWERS RELATING TO ACQUISITION OR

17                           OPERATION OF PROPERTY

18   Sec. 8501.163.  POWERS RELATING TO CONTRACT, LEASE, AGREEMENT,

19                           OR CONVEYANCE

20   Sec. 8501.164.  RIGHT OF EMINENT DOMAIN

21   Sec. 8501.165.  COORDINATION AND JOINT UNDERTAKINGS AMONG

22                           DISTRICTS

23   Sec. 8501.166.  NO AUTHORITY FOR TAX OR SPECIAL ASSESSMENT

24               [Sections 8501.167-8501.200 reserved for expansion]

25                           SUBCHAPTER E.  GENERAL FINANCIAL MATTERS

26   Sec. 8501.201.  PROCEDURE FOR PAYMENT

27   Sec. 8501.202.  RECORDS RELATING TO MONEY

1   Sec. 8501.203.   FILING OF AUDIT  
2   Sec. 8501.204.   FEES  
3   Sec. 8501.205.   LIMITATION ON USE OF REVENUE  
4                   [Sections 8501.206-8501.250 reserved for expansion]  
5                   SUBCHAPTER F. OBLIGATIONS RELATING TO BORROWED MONEY  
6   Sec. 8501.251.   POWER TO BORROW MONEY; EVIDENCE  
7                               OF OBLIGATION  
8   Sec. 8501.252.   OBLIGATION PAYABLE FROM REVENUE  
9   Sec. 8501.253.   NO CREATION OF DEBT; NO PAYMENT  
10                               FROM TAXES  
11   Sec. 8501.254.   TIME OF SALE  
12   Sec. 8501.255.   MATURITY  
13   Sec. 8501.256.   SIGNATURES  
14   Sec. 8501.257.   LIEN ON REVENUE  
15   Sec. 8501.258.   SINKING FUND: IN GENERAL  
16   Sec. 8501.259.   SINKING FUND: EXCESS MONEY  
17   Sec. 8501.260.   COVENANTS FOR MARKETABILITY  
18   Sec. 8501.261.   HOLDER OF OBLIGATION MAY COMPEL PERFORMANCE  
19   Sec. 8501.262.   HOLDER OF OBLIGATION ENTITLED TO ADMINISTRATOR  
20                               OR RECEIVER  
21   Sec. 8501.263.   ADDITIONAL SECURITY FOR OBLIGATION:  
22                               MORTGAGE AND ENCUMBRANCE  
23   Sec. 8501.264.   SALE UNDER MORTGAGE OR ENCUMBRANCE  
24   Sec. 8501.265.   STATE FRANCHISE LAW NOT APPLICABLE  
25   Sec. 8501.266.   DEPOSIT OF PROCEEDS  
26   Sec. 8501.267.   USE OF UNSPENT PROCEEDS AFTER PROJECT  
27                               COMPLETION

1   Sec. 8501.268.   INSURING IMPROVEMENTS AND FACILITIES

2   Sec. 8501.269.   REFUNDING OBLIGATION

3   Sec. 8501.270.   TAX EXEMPTION

4           [Sections 8501.271-8501.900 reserved for expansion]

5                   SUBCHAPTER Z.   MISCELLANEOUS PROVISIONS

6   Sec. 8501.901.   CHAPTER AS FULL AUTHORITY; OTHER STATUTES

7                   NOT APPLICABLE

8                   CHAPTER 8501.   ANGELINA AND NECHES RIVER AUTHORITY

9                   SUBCHAPTER A.   GENERAL PROVISIONS

10   Sec. 8501.001.   DEFINITIONS.   In this chapter:

11           (1)   "Authority" means the Angelina and Neches River  
12   Authority.

13           (2)   "Board" means the board of directors of the  
14   authority.   (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 1 (part);  
15   New.)

16   Sec. 8501.002.   WATER RIGHTS NOT AFFECTED.   This chapter  
17   does not affect any existing rights, or existing priorities in the  
18   rights, to water from the source of supply.   The formation of the  
19   authority or a contract for the purchase of water with the authority  
20   is not an abandonment or waiver of those rights or priorities and is  
21   not an abandonment of the original point of diversion from the  
22   source of supply.   All those rights existing at the time of the  
23   formation of the authority are preserved.   (Acts 44th Leg., R.S.,  
24   G.L., Ch. 97, Sec. 31.)

25   Sec. 8501.003.   REGULAR OFFICE OF AUTHORITY.   A regular  
26   office shall be established and maintained for conducting authority  
27   business within the authority's territory.   (Acts 44th Leg., R.S.,

1 G.L., Ch. 97, Sec. 9 (part).)

2 Sec. 8501.004. RECORDS. (a) The secretary-treasurer of  
3 the board shall keep a record of all proceedings and all orders of  
4 the board.

5 (b) The records of the authority are subject to public  
6 inspection. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs. 7 (part), 9  
7 (part).)

8 Sec. 8501.005. LIBERAL CONSTRUCTION. This chapter shall be  
9 liberally construed to effectuate its purposes. (Acts 44th Leg.,  
10 R.S., G.L., Ch. 97, Sec. 16 (part).)

11 [Sections 8501.006-8501.050 reserved for expansion]

12 SUBCHAPTER B. NATURE AND TERRITORY

13 Sec. 8501.051. CREATION AND NATURE OF AUTHORITY. The  
14 Angelina and Neches River Authority is created as a conservation  
15 and reclamation district. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec.  
16 1 (part).)

17 Sec. 8501.052. TERRITORY. (a) The authority is composed of  
18 the territory described by Section 3, Chapter 97, General Laws,  
19 Acts of the 44th Legislature, Regular Session, 1935, as amended by  
20 the relevant part of Section 1, Chapter 394, Acts of the 65th  
21 Legislature, Regular Session, 1977.

22 (b) The authority's territory also may have been modified  
23 under other law. (New.)

24 [Sections 8501.053-8501.100 reserved for expansion]

25 SUBCHAPTER C. BOARD OF DIRECTORS AND EMPLOYEES

26 Sec. 8501.101. MEMBERSHIP OF BOARD. (a) The board consists  
27 of nine directors appointed by the governor with the advice and



1 consent of the senate.

2 (b) Each director must be a freehold property taxpayer and a  
3 qualified voter of the state. (Acts 44th Leg., R.S., G.L., Ch. 97,  
4 Sec. 4 (part).)

5 Sec. 8501.102. TERMS. Directors are appointed for  
6 staggered terms of six years with one-third of the directors' terms  
7 expiring every two years. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec.  
8 4 (part).)

9 Sec. 8501.103. VACANCY. (a) A vacancy on the board shall  
10 be filled by appointment by the governor with the advice and consent  
11 of the senate.

12 (b) A person appointed to a vacant position serves for the  
13 unexpired part of the term. (Acts 44th Leg., R.S., G.L., Ch. 97,  
14 Sec. 4 (part).)

15 Sec. 8501.104. OATH AND BOND REQUIREMENT FOR  
16 DIRECTOR. (a) A director shall, within 15 days after the date of  
17 appointment, qualify by taking the constitutional oath of office  
18 and by filing a good and sufficient bond with the secretary of  
19 state.

20 (b) The bond is subject to approval by the secretary of  
21 state and must:

22 (1) be in the amount of \$1,000;  
23 (2) be payable to the authority; and  
24 (3) be conditioned on the faithful performance of the  
25 duties as a director. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 4  
26 (part).)

27 Sec. 8501.105. COMPENSATION OF DIRECTORS. Unless the board

1 by resolution increases the fee of office to an amount authorized by  
2 Section 49.060, Water Code, a director shall receive as a fee of  
3 office an amount not to exceed \$10 for each day of service necessary  
4 to discharge the director's duties, if the board votes to authorize  
5 the service. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 8 (part).)

6 Sec. 8501.106. QUORUM RELATING TO CONSTRUCTION MATTERS.  
7 The concurrence of five directors is required for entering into a  
8 construction contract or for authorizing the issuance of a warrant  
9 to pay for a construction contract. (Acts 44th Leg., R.S., G.L.,  
10 Ch. 97, Sec. 5 (part).)

11 Sec. 8501.107. OFFICERS. (a) The board shall elect one of  
12 the directors as president of the board, one as vice president, and  
13 one as secretary-treasurer.

14 (b) The president is the chief executive officer of the  
15 authority.

16 (c) The vice president shall act as president if the  
17 president is absent or disabled.

18 (d) The secretary-treasurer shall act as a secretary of the  
19 board. The board shall select a secretary pro tem if the  
20 secretary-treasurer is absent or unable to act. (Acts 44th Leg.,  
21 R.S., G.L., Ch. 97, Secs. 5 (part), 7 (part).)

22 Sec. 8501.108. MEETINGS. (a) The president shall preside  
23 at all meetings of the board.

24 (b) The board shall set, by order entered in the minutes of  
25 its proceedings, a specified time for the regular meetings of the  
26 board. The board shall meet for a specific occasion if called by  
27 order of the president, vice president, or a majority of the

1 directors.

2 (c) The board shall hold its meetings at its office and  
3 principal place of business unless the board directs otherwise for  
4 a specific occasion. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 7  
5 (part).)

6 Sec. 8501.109. EMPLOYMENT PREFERENCE. (a) The authority  
7 and each contractor who employs labor for the construction of an  
8 improvement for the authority shall give a preference to the  
9 employment of:

10 (1) persons who are on relief rolls or otherwise  
11 unemployed and who are able to efficiently provide the proper  
12 service in the various classifications of labor under which they  
13 are to be employed; and

14 (2) if there are not sufficient persons who are  
15 qualified under Subdivision (1), qualified workers who reside in  
16 the locality where the improvement is to be constructed.

17 (b) The persons to whom the preference applies include  
18 persons required for office or clerical work but do not include the  
19 key workers of the authority or contractor.

20 (c) Each contract expressly entered into under this chapter  
21 by the authority with a contractor must expressly impose on the  
22 contractor the duty to give the preference provided by this  
23 section.

24 (d) To the extent this section conflicts with the  
25 requirements of a federal agency providing funds for the authority,  
26 the requirements of the federal agency control. (Acts 44th Leg.,  
27 R.S., G.L., Ch. 97, Sec. 32.)

1           Sec. 8501.110. REMOVAL OF EMPLOYEE. An employee of the  
2 authority may be removed by the board. (Acts 44th Leg., R.S., G.L.,  
3 Ch. 97, Sec. 11 (part).)

4           Sec. 8501.111. COMPENSATION OF EMPLOYEES. The board shall  
5 set the reasonable compensation to be paid to the general manager  
6 and other employees of the authority. (Acts 44th Leg., R.S., G.L.,  
7 Ch. 97, Secs. 11 (part), 14(n) (part).)

8           Sec. 8501.112. DIRECTOR'S, OFFICER'S, OR EMPLOYEE'S SURETY  
9 BOND. A bond required to be given by a director, officer, or  
10 employee of the authority must be executed by a surety company  
11 authorized to do business in this state, as surety on the bond.  
12 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 12.)

13           Sec. 8501.113. CONFLICT OF INTEREST; CRIMINAL  
14 PENALTY. (a) A director or an engineer or employee of the  
15 authority may not be directly or indirectly interested, personally  
16 or as an agent for another person, in a contract for the purchase or  
17 construction of any work by the authority.

18           (b) A person commits an offense if the person violates this  
19 section. An offense under this subsection is a misdemeanor  
20 punishable by a fine not to exceed \$1,000, by confinement in the  
21 county jail for not less than six months or more than one year, or by  
22 both the fine and confinement. (Acts 44th Leg., R.S., G.L., Ch. 97,  
23 Sec. 13.)

24           [Sections 8501.114-8501.150 reserved for expansion]

25                           SUBCHAPTER D. POWERS AND DUTIES

26           Sec. 8501.151. POWERS UNDER CONSTITUTION AND OTHER LAW.  
27 The authority has the powers of a conservation and reclamation

1 district under the constitution and other laws of this state,  
2 including the powers:

3 (1) expressly authorized in Section 59, Article XVI,  
4 Texas Constitution, for a district created to conserve, store,  
5 control, preserve, use, and distribute the storm water and  
6 floodwater and the water of the rivers and streams of the state;

7 (2) implied by the purposes of that section of the  
8 constitution; and

9 (3) given by general law. (Acts 44th Leg., R.S., G.L.,  
10 Ch. 97, Sec. 1 (part).)

11 Sec. 8501.152. APPLICABILITY OF WATER CODE. The rights,  
12 powers, privileges, and functions granted to the authority, and the  
13 authority itself, are expressly subject to Chapters 11, 12, 26, and  
14 49, Water Code, as applicable. (Acts 44th Leg., R.S., G.L., Ch. 97,  
15 Sec. 1 (part).)

16 Sec. 8501.153. STATE SUPERVISION AND APPROVAL. (a) The  
17 Texas Commission on Environmental Quality shall consider the  
18 adequacy of, and decide whether to approve, any flood control or  
19 conservation improvement plan that:

20 (1) is devised by the authority to achieve a plan or  
21 purpose for which the authority is created; and

22 (2) contemplates improvements that are to be  
23 supervised by the commission under general law.

24 (b) Before the authority establishes a diversion point or  
25 constructs a canal, pumping plant, or other work under this  
26 chapter, the authority must:

27 (1) present the plans and specifications for the

1 project to the Texas Commission on Environmental Quality; and

2 (2) obtain the approval of the commission. (Acts 44th  
3 Leg., R.S., G.L., Ch. 97, Secs. 14(q), 15 (part).)

4 Sec. 8501.154. GENERAL POWERS RELATING TO WATER. (a) The  
5 authority has the rights and powers of an independent conservation  
6 and reclamation district to construct, maintain, and operate in the  
7 valleys of the Neches River and its tributaries, inside or outside  
8 the authority, any work considered essential:

9 (1) to the operation of the authority; and

10 (2) for the authority's administration in the control,  
11 storage, preservation, and distribution to all useful purposes of  
12 the water, including storm water and floodwater, of the Neches  
13 River and its tributaries.

14 (b) The authority has the same power of control and  
15 regulation over the waters of the Neches River and its tributaries  
16 that the state has, subject to the constitution and statutes of this  
17 state. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 1 (part).)

18 Sec. 8501.155. POWERS RELATING TO PARTICULAR PURPOSES. For  
19 the conservation and beneficial use of the water of the Neches River  
20 and its tributaries, including storm water and floodwater, the  
21 authority may control and use the water in the manner and for a  
22 particular purpose described by Section 8501.156, 8501.157,  
23 8501.158, 8501.159, 8501.160, or 8501.161. (Acts 44th Leg., R.S.,  
24 G.L., Ch. 97, Sec. 14 (part).)

25 Sec. 8501.156. POWERS RELATING TO FLOODING. In acting  
26 under Section 8501.155, the authority may:

27 (1) prevent the devastation of land from recurrent

1 overflows;

2 (2) protect life and property in the authority from  
3 uncontrolled floodwater; and

4 (3) encourage the conservation of soil to prevent  
5 destructive erosion and to prevent the increased flood menace  
6 related to that erosion. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs.  
7 14(c) (part), (g).)

8 Sec. 8501.157. POWERS RELATING TO USE OF WATER IN GENERAL.  
9 In acting under Section 8501.155, the authority may:

10 (1) through practical means, provide for the control  
11 and coordination of the regulation of the water of the Neches River  
12 and its tributaries;

13 (2) by adequate organization and administration,  
14 provide for preserving the equitable rights of the people of  
15 different sections of the watershed area in the beneficial use of  
16 the water of the Neches River and its tributaries;

17 (3) store, control, and conserve the water of the  
18 Neches River and its tributaries inside or outside the authority  
19 and prevent the escape of that water without the maximum of public  
20 service;

21 (4) equitably distribute the water of the Neches River  
22 and its tributaries to meet the regional potential requirements for  
23 all uses, including domestic, manufacturing, and irrigation uses;  
24 and

25 (5) use controlled and conserved floodwater and storm  
26 water for any purpose that results in the performance of a useful  
27 service authorized by the constitution of this state. (Acts 44th

1 Leg., R.S., G.L., Ch. 97, Secs. 14(a), (b), (c) (part), (e) (part),  
2 (j).)

3 Sec. 8501.158. POWERS RELATING TO DOMESTIC, COMMERCIAL, OR  
4 INDUSTRIAL USE OF WATER. In acting under Section 8501.155, the  
5 authority may:

6 (1) conserve the water of the Neches River and its  
7 tributaries essential for the domestic uses of the people of the  
8 authority, including all necessary water supplies for cities and  
9 towns;

10 (2) control the water of the Neches River and its  
11 tributaries and make the water available for use in the development  
12 of commercial and industrial enterprises in the entire watershed  
13 area of the authority; and

14 (3) control, store, and use the water of the Neches  
15 River and its tributaries in the development and distribution of  
16 hydroelectric power, if that use is economically coordinated with  
17 other superior uses and subordinated to the uses declared by law to  
18 be superior. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs. 14(d), (h),  
19 (i).)

20 Sec. 8501.159. POWERS RELATING TO USE OF WATER FOR  
21 IRRIGATION. In acting under Section 8501.155, the authority may  
22 provide for the irrigation of all land in the authority or land  
23 outside the authority but inside the authority's watershed area  
24 where the irrigation is required for agricultural purposes or is  
25 considered helpful to more profitable agricultural production.  
26 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(e) (part).)

27 Sec. 8501.160. POWERS RELATING TO DRAINAGE OF WATER. In



1 acting under Section 8501.155, the authority may:

2 (1) provide for the better encouragement and  
3 development of drainage systems for, and provide for the drainage  
4 of, lands in the valleys of the Neches River and its tributaries as  
5 needed for profitable agricultural production; and

6 (2) provide for drainage for other land in the  
7 watershed area of the authority as required for the most  
8 advantageous use of the land. (Acts 44th Leg., R.S., G.L., Ch. 97,  
9 Sec. 14(f).)

10 Sec. 8501.161. POWERS RELATING TO ACQUISITION OR OPERATION  
11 OF WORKS, LAND, OR OTHER PROPERTY. (a) In acting under Section  
12 8501.155, the authority may:

13 (1) purchase or construct any work necessary or  
14 convenient for the exercise of the authority's powers under this  
15 chapter and to accomplish the purposes of this chapter; and

16 (2) purchase or otherwise acquire land or other  
17 property necessary or convenient for carrying out the purposes of  
18 this chapter.

19 (b) The plans and works provided by the authority, and the  
20 works provided under the power of the authority, shall regard  
21 primarily the necessary and potential needs for water by or within  
22 the area in the authority constituting the watershed of the Neches  
23 River and its tributaries. (Acts 44th Leg., R.S., G.L., Ch. 97,  
24 Secs. 14(e) (part), (k).)

25 Sec. 8501.162. ADDITIONAL POWERS RELATING TO ACQUISITION OR  
26 OPERATION OF PROPERTY. (a) In this section, "property" includes  
27 a right, including a water right, and includes land and a tenement,

1 easement, improvement, reservoir, dam, canal, lateral, plant,  
2 work, and facility.

3 (b) The authority may investigate, plan, acquire,  
4 construct, maintain, or operate any property the authority  
5 considers necessary or proper for the accomplishment of the  
6 purposes of the authority.

7 (c) The power described by Subsection (b) includes the power  
8 to acquire property inside or outside the authority that is  
9 incidental or helpful to carrying out the authority's purposes  
10 under this chapter. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 16  
11 (part).)

12 Sec. 8501.163. POWERS RELATING TO CONTRACT, LEASE,  
13 AGREEMENT, OR CONVEYANCE. (a) The authority may enter into a  
14 contract, lease, or other agreement necessary or convenient to  
15 carry out a power given to the authority by this chapter.

16 (b) The authority may enter into the contract, lease, or  
17 agreement with any person, including:

18 (1) an individual or artificial entity;

19 (2) a corporation, including a municipal corporation  
20 and a public or private corporation; and

21 (3) a government or governmental agency, including the  
22 United States and this state.

23 (c) The authority may:

24 (1) convey or cause to be conveyed any of its property  
25 to the United States; and

26 (2) enter into a lease, regardless of whether it  
27 includes a privilege of purchase, with the United States relating

1 to any property and obligate the authority to pay rent under the  
2 lease from the income or other revenue of the property.

3 (d) A contract, lease, or agreement under this section must  
4 be approved by resolution of the board and must be executed by the  
5 president and attested by the secretary-treasurer.

6 (e) This section does not authorize the assumption by the  
7 authority of any obligation requiring a payment from taxes.

8 (f) The property to which Subsection (c) applies includes a  
9 right, land, tenement, easement, improvement, reservoir, dam,  
10 canal, plant, lateral, work, and facility. (Acts 44th Leg., R.S.,  
11 G.L., Ch. 97, Sec. 14(o).)

12 Sec. 8501.164. RIGHT OF EMINENT DOMAIN. (a) The  
13 authority may exercise the power of eminent domain to acquire fee  
14 simple title to, or an easement over or through, any land, water, or  
15 land under water that is necessary or convenient for carrying out  
16 any purpose or power given to the authority by this chapter. The  
17 power applies to private or public property inside or outside the  
18 authority.

19 (b) A condemnation proceeding is under the direction of the  
20 board and must be in the name of the authority.

21 (c) The assessment of damages and all procedures related to  
22 condemnation, appeal, and payment must conform to Chapter 21,  
23 Property Code. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(l).)

24 Sec. 8501.165. COORDINATION AND JOINT UNDERTAKINGS AMONG  
25 DISTRICTS. (a) A drainage, conservation, reclamation, or other  
26 district created by this state with powers provided in Section 59,  
27 Article XVI, Texas Constitution, may:

1           (1) coordinate its plans with the authority; and  
2           (2) enter into joint undertakings with the authority  
3 for the purposes for which the entities are created.

4           (b) The acts taken under Subsection (a) must be approved by  
5 a majority of the boards of directors of all the districts involved.  
6 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 2.)

7           Sec. 8501.166. NO AUTHORITY FOR TAX OR SPECIAL ASSESSMENT.  
8 This chapter does not authorize the authority to impose a tax or  
9 special assessment or to create any debt payable from taxes. (Acts  
10 44th Leg., R.S., G.L., Ch. 97, Sec. 1 (part).)

11           [Sections 8501.167-8501.200 reserved for expansion]

12           SUBCHAPTER E. GENERAL FINANCIAL MATTERS

13           Sec. 8501.201. PROCEDURE FOR PAYMENT. A warrant for the  
14 payment of money by the authority may be drawn and signed by the  
15 president and the secretary-treasurer if the account under which  
16 the payment is to be made results from a contract made by the board  
17 and is ordered paid by the board. (Acts 44th Leg., R.S., G.L., Ch.  
18 97, Sec. 5 (part).)

19           Sec. 8501.202. RECORDS RELATING TO MONEY. The  
20 secretary-treasurer shall:

21           (1) receive and give a receipt for all money received  
22 by the authority; and

23           (2) keep records of all money received and spent by the  
24 authority. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 7 (part).)

25           Sec. 8501.203. FILING OF AUDIT. In addition to copies of  
26 the annual audit of the authority that are filed as required by  
27 Section 49.194, Water Code, a copy shall be filed with the

1 depository of the authority and the office of the auditor. (Acts  
2 44th Leg., R.S., G.L., Ch. 97, Sec. 10 (part).)

3 Sec. 8501.204. FEES. (a) The board shall prescribe fees  
4 to be collected for:

- 5 (1) the use of water;
- 6 (2) a water connection; or
- 7 (3) another service.

8 (b) The board shall set the fees in amounts that are  
9 reasonable and equitable and sufficient to produce revenue adequate  
10 to pay the items described by Subsection (c). The fees may not  
11 exceed what may be reasonably necessary to fulfill the obligations  
12 imposed on the authority by this chapter.

13 (c) The board shall pay the following items from the fees:

14 (1) all expenses necessary to the operation and  
15 maintenance of the improvements and facilities of the authority,  
16 including:

17 (A) the cost of the acquisition of materials and  
18 other property necessary to maintain the improvements and  
19 facilities in good condition and to operate them efficiently;

20 (B) necessary wages and salaries of the  
21 authority; and

22 (C) other expenses reasonably necessary to the  
23 efficient operation of the improvements and facilities;

24 (2) the interest on any obligation issued under this  
25 chapter and payable from the revenue from the improvements and  
26 facilities; and

27 (3) the amount required to be paid annually into the

1 sinking fund for the payment of an obligation issued under this  
2 chapter and payable from the revenue of the improvements and  
3 facilities. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(m)  
4 (part).)

5 Sec. 8501.205. LIMITATION ON USE OF REVENUE. (a) A charge  
6 on the revenue derived from the improvements and facilities of the  
7 authority may not be made if the principal or interest of any  
8 obligation issued under this chapter is unpaid.

9 (b) If the revenue derived from the improvements and  
10 facilities of the authority exceed the amount required for the  
11 payment of items under Section 8501.204(c), the board may pay the  
12 cost of improvements and replacements not covered by Section  
13 8501.204(c)(1) and may establish a reasonable depreciation and  
14 emergency fund. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(m)  
15 (part).)

16 [Sections 8501.206-8501.250 reserved for expansion]

17 SUBCHAPTER F. OBLIGATIONS RELATING TO BORROWED MONEY

18 Sec. 8501.251. POWER TO BORROW MONEY; EVIDENCE OF  
19 OBLIGATION. The authority may:

20 (1) borrow money from any source, including an agency  
21 of the United States; and

22 (2) issue a note, warrant, certificate of  
23 indebtedness, or other form of obligation of the authority as  
24 evidence of the borrowed money. (Acts 44th Leg., R.S., G.L., Ch.  
25 97, Sec. 17 (part).)

26 Sec. 8501.252. OBLIGATION PAYABLE FROM REVENUE. (a) An  
27 obligation issued under this chapter by the authority may be made

1 payable from and secured by a pledge of:

2 (1) all the revenue derived from the operations and  
3 devices of the authority's improvements and facilities, excluding  
4 any revenue derived from a tax or assessment;

5 (2) only the revenue derived from the operation of the  
6 authority's improvements and facilities acquired with the proceeds  
7 from the sale of the obligation; or

8 (3) a specific part of the revenue derived from the  
9 operation of the authority's improvements and facilities.

10 (b) The proceedings authorizing the issuance of the  
11 obligation must identify the method described by Subsection (a)  
12 that is to be used to pay and secure the obligation. (Acts 44th  
13 Leg., R.S., G.L., Ch. 97, Secs. 17 (part), 19 (part).)

14 Sec. 8501.253. NO CREATION OF DEBT; NO PAYMENT FROM  
15 TAXES. (a) An obligation issued under this chapter is not a debt  
16 or a pledge of credit of the authority.

17 (b) The obligation:

18 (1) may not be paid in whole or part from any money  
19 raised by taxation; and

20 (2) must contain a recital to that effect. (Acts 44th  
21 Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

22 Sec. 8501.254. TIME OF SALE. An obligation issued under  
23 this chapter shall be sold at the time determined by the board to be  
24 expedient and necessary to the interest of the authority. (Acts  
25 44th Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

26 Sec. 8501.255. MATURITY. An obligation issued under this  
27 chapter must mature not more than 50 years after its date in the

1 manner provided by the board. (Acts 44th Leg., R.S., G.L., Ch. 97,  
2 Sec. 18 (part).)

3       Sec. 8501.256. SIGNATURES. (a) An obligation issued  
4 under this chapter must be signed by the president and  
5 secretary-treasurer of the board. An interest coupon attached to  
6 an obligation may be executed with the facsimile signature of the  
7 president and secretary-treasurer.

8       (b) If an officer whose signature is on an obligation or  
9 coupon ceases to be an officer before the delivery of the obligation  
10 to the purchaser, the signature remains valid for all purposes.  
11 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

12       Sec. 8501.257. LIEN ON REVENUE. (a) If more than one  
13 series of obligations is issued under this chapter payable from and  
14 secured by identical revenue, the priority of a lien against that  
15 revenue depends on the time of delivery of the obligations. A lien  
16 for a series of obligations is prior and superior to a lien for  
17 another series of obligations subsequently delivered.

18       (b) For an issue or series of obligations that are  
19 authorized as a unit but delivered periodically in blocks, the  
20 board may, in the proceedings authorizing the issuance of the  
21 obligations, provide that all the obligations of the issue or  
22 series are coequal as to lien regardless of the time of delivery.  
23 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 19 (part).)

24       Sec. 8501.258. SINKING FUND: IN GENERAL. (a) A resolution  
25 or order authorizing the issuance of obligations under this chapter  
26 must provide for the creation of a sinking fund. Amounts sufficient  
27 to pay the principal of and interest on the obligations shall be



1 paid into the fund from the revenue pledged to the payment of the  
2 obligations. The payments into the fund shall be made monthly as  
3 the revenue is collected.

4 (b) In the manner provided by this chapter, the money in the  
5 sinking fund shall be applied, at or before maturity of the  
6 obligations, solely to:

7 (1) the payment of interest on the obligations for the  
8 payment of which the fund is created; and

9 (2) the retirement of the obligations.

10 (c) A resolution or order authorizing the issuance of  
11 obligations under this chapter must provide that the revenue from  
12 which the obligations are to be paid and that is pledged to the  
13 payment of the obligations shall be:

14 (1) set apart and paid into the sinking fund monthly as  
15 the revenue accrues and is received; and

16 (2) disbursed in the manner provided by this chapter.

17 (d) In determining the amount of revenue to be set apart,  
18 the board shall provide that the amount to be set apart and paid  
19 into the sinking fund in any year shall be not less than a fixed  
20 amount. The fixed amount must be at least sufficient to:

21 (1) provide for the payment of the principal of and  
22 interest on all obligations maturing and becoming payable in the  
23 year; and

24 (2) create a surplus or margin of 10 percent in excess  
25 of the amount needed under Subdivision (1). (Acts 44th Leg., R.S.,  
26 G.L., Ch. 97, Secs. 20 (part), 22.)

27 Sec. 8501.259. SINKING FUND: EXCESS MONEY. (a) At the

1 time obligations are authorized under this chapter, the board may  
2 provide that all money in the sinking fund in excess of the amount  
3 required for the payment of the principal of and interest on the  
4 outstanding obligations, for a period the board determines, shall  
5 be spent once each year under the board's order to purchase  
6 obligations for the account of which the sinking fund has been  
7 accumulated, if the obligations can be purchased at a price the  
8 board considers reasonable.

9 (b) The board may provide that, if the obligations contain  
10 an option permitting retirement before maturity, the excess amount  
11 shall be paid out as provided by this chapter for the purchase of  
12 the obligations. If the board is unable to purchase sufficient  
13 obligations of the issue to absorb all the surplus, the board shall  
14 call for redemption of a sufficient amount of the obligations to  
15 absorb, so far as practicable, the entire surplus remaining in the  
16 sinking fund.

17 (c) The board may provide that any excess amount in the  
18 sinking fund that cannot be applied to the purchase or redemption of  
19 obligations shall remain in the sinking fund to be used for payment  
20 of principal or interest, when due, or for the subsequent call of  
21 obligations for purchase or redemption in the manner provided by  
22 this section. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 20 (part).)

23 Sec. 8501.260. COVENANTS FOR MARKETABILITY. (a) A  
24 resolution or order authorizing the issuance of obligations under  
25 this chapter may contain covenants with the holders of the  
26 obligations on the following subjects as considered necessary to  
27 ensure the marketability of the obligations:

1           (1) management and operation of the improvements and  
2 facilities of the authority;

3           (2) collection of fees for the use of the improvements  
4 and facilities;

5           (3) disposition of the fees;

6           (4) issuance of future obligations and creation of  
7 future liens, mortgages, and encumbrances against the improvements  
8 and facilities and the revenue of the improvements and facilities;  
9 and

10          (5) other pertinent matters.

11          (b) The covenants may not be inconsistent with this chapter.  
12 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 21.)

13          Sec. 8501.261. HOLDER OF OBLIGATION MAY COMPEL  
14 PERFORMANCE. (a) A holder of obligations issued under this  
15 chapter or of coupons originally attached to the obligations may  
16 enforce and compel the performance by the board of all duties  
17 required of the board by this chapter, including:

18           (1) setting and collecting reasonable and sufficient  
19 fees for the use of the improvements and facilities of the  
20 authority;

21           (2) segregating the income and revenue of the  
22 improvements and facilities; and

23           (3) applying the income and revenue under this  
24 chapter.

25          (b) The holder of the obligations or coupons may act under  
26 Subsection (a):

27           (1) at law or in equity; and

(2) by a suit, action, mandamus, or other proceeding.  
(Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 23 (part).)

Sec. 8501.262. HOLDER OF OBLIGATION ENTITLED TO  
ADMINISTRATOR OR RECEIVER. (a) If there is a default in the  
payment of the principal of or interest on an obligation issued  
under this chapter, any holder of the obligation is entitled to have  
an administrator or receiver appointed by a court to administer and  
operate, on behalf of the authority and the holders of the  
obligation, the improvements and facilities the revenue of which is  
pledged to the payment of the obligation.

(b) The administrator or receiver may:

(1) set and collect fees sufficient to:

(A) provide for the payment of operation and  
maintenance expenses as described by this chapter; and

(B) pay any outstanding obligations or interest  
coupons payable from the revenue of the improvements and  
facilities; and

(2) apply the income and revenue of the improvements  
and facilities in accordance with this chapter and the proceedings  
authorizing the issuance of the obligation. (Acts 44th Leg., R.S.,  
G.L., Ch. 97, Sec. 23 (part).)

Sec. 8501.263. ADDITIONAL SECURITY FOR OBLIGATION:  
MORTGAGE AND ENCUMBRANCE. (a) As additional security for the  
payment of an obligation issued under this chapter, the board may  
have executed in favor of the holders of the obligations an  
indenture mortgaging and encumbering:

(1) the improvements, facilities, and other property

1 acquired with the proceeds of the sale of the obligation; or

2 (2) all the improvements, facilities, and other  
3 property of the authority.

4 (b) In the encumbrance, the board may provide for granting  
5 to any purchaser at a foreclosure sale under the encumbrance a  
6 franchise to operate the improvements, facilities, and other  
7 property for a term not to exceed 50 years after the date of the  
8 purchase, subject to the laws regulating the matter.

9 (c) The indenture:

10 (1) may contain the provisions the board considers  
11 proper; and

12 (2) is enforceable in the manner provided by the laws  
13 of this state for the enforcement of other mortgages and  
14 encumbrances. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 24 (part).)

15 Sec. 8501.264. SALE UNDER MORTGAGE OR ENCUMBRANCE. (a)  
16 Under a sale ordered under a mortgage or encumbrance described by  
17 Section 8501.263, a purchaser of the improvements, facilities, and  
18 other property at the sale, and the purchaser's successors or  
19 assigns, are vested with a permit and franchise to maintain and  
20 operate the improvements, facilities, and other property with  
21 powers and privileges like those held by the authority in the  
22 operation of the improvements, facilities, and other property.

23 (b) Instead of operating the improvements, facilities, and  
24 other property as provided by Subsection (a), the purchaser and the  
25 purchaser's successors or assigns may remove all or part of the  
26 improvements, facilities, and other property for diversion to other  
27 purposes. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 24 (part).)

1           Sec. 8501.265. STATE FRANCHISE LAW NOT APPLICABLE. A  
2 statute of this state relating to the granting of franchises is not  
3 applicable to:

4           (1) the authorization or execution of a mortgage or  
5 encumbrance entered into under this chapter; or

6           (2) the grant of a franchise under this chapter. (Acts  
7 44th Leg., R.S., G.L., Ch. 97, Sec. 24 (part).)

8           Sec. 8501.266. DEPOSIT OF PROCEEDS. (a) The proceeds of  
9 the sale of an obligation issued under this chapter may be:

10           (1) deposited in one or more banks on which the  
11 purchaser of the obligations and the board agree; and

12           (2) deposited and paid out under the conditions and  
13 other terms to which the purchaser and board agree.

14           (b) The statutes of this state relating to the deposit of  
15 authority funds in the depository of the authority do not apply to  
16 the deposit of the proceeds of the sale of an obligation issued  
17 under this chapter. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 25  
18 (part).)

19           Sec. 8501.267. USE OF UNSPENT PROCEEDS AFTER PROJECT  
20 COMPLETION. Any part of the proceeds of the sale of an obligation  
21 issued under this chapter that are unspent after the project for  
22 which the obligations were authorized is completed may be paid into  
23 the sinking fund for the payment of the obligation and may be used  
24 only for:

25           (1) the payment of the principal of the obligation; or

26           (2) the purpose of acquiring outstanding obligations  
27 by purchase in the manner provided by this chapter. (Acts 44th

1 Leg., R.S., G.L., Ch. 97, Sec. 25 (part).)

2 Sec. 8501.268. INSURING IMPROVEMENTS AND FACILITIES. (a)  
3 The board may enter into, under terms to which the board agrees, an  
4 agreement with the purchaser of an obligation issued under this  
5 chapter to:

6 (1) keep all the improvements and facilities, the  
7 revenue of which is pledged to the payment of the obligation,  
8 insured with insurers of good standing against loss or damage by  
9 fire, water or flood, or another hazard that private companies that  
10 operate similar property customarily cover by insurance; and

11 (2) carry with one or more insurers of good standing  
12 the insurance covering the use and occupancy of the property as is  
13 customarily carried by private companies that operate similar  
14 property.

15 (b) The cost of the insurance shall be budgeted as a  
16 maintenance and operation expense.

17 (c) The insurance shall be carried for the benefit of the  
18 holder of the obligation. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec.  
19 26.)

20 Sec. 8501.269. REFUNDING OBLIGATION. (a) The authority  
21 may authorize and issue, on terms the board considers advisable, a  
22 refunding obligation to provide for the retirement of an  
23 outstanding obligation issued by the authority under this chapter.  
24 The refunding obligation:

25 (1) may be issued for an obligation that is due or to  
26 become due; and

27 (2) is subject to the provisions of this chapter

1 relating to the issuance of other obligations.

2 (b) A refunding obligation may be:

3 (1) exchanged for like par amounts of the outstanding  
4 obligation; or

5 (2) sold, with the proceeds being used to retire the  
6 outstanding obligation.

7 (c) The refunding obligation must be:

8 (1) secured in all respects to the same extent as other  
9 obligations issued under this chapter; and

10 (2) paid from the same revenue from which the refunded  
11 obligation was to be paid. (Acts 44th Leg., R.S., G.L., Ch. 97,  
12 Sec. 28.)

13 Sec. 8501.270. TAX EXEMPTION. An obligation issued under  
14 this chapter is exempt from taxation by this state or by any  
15 municipal corporation, county, or other political subdivision or  
16 taxing district of this state. (Acts 44th Leg., R.S., G.L., Ch. 97,  
17 Sec. 27.)

18 [Sections 8501.271-8501.900 reserved for expansion]

19 SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

20 Sec. 8501.901. CHAPTER AS FULL AUTHORITY; OTHER STATUTES  
21 NOT APPLICABLE. (a) This chapter, without reference to other  
22 statutes of this state, is full authority for the authorization and  
23 issuance of an obligation under this chapter and for the  
24 accomplishment of all actions authorized by this chapter. No other  
25 proceedings are necessary.

26 (b) A statute of this state does not apply to a proceeding or  
27 other act under this chapter if the statute:



1 (1) relates to:

2 (A) the authorization or issuance of  
3 obligations;

4 (B) the operation or maintenance of an  
5 improvement or facility;

6 (C) the grant of a franchise or permit; or

7 (D) the right to an election or referendum  
8 petition; or

9 (2) in any way impedes or restricts the implementation  
10 of the acts authorized under this chapter.

11 (c) Notwithstanding Subsections (a) and (b), this section  
12 does not prevent another statute from applying to the authority if  
13 the legislative intent is that the other statute supersede or  
14 operate in conjunction with this chapter. (Acts 44th Leg., R.S.,  
15 G.L., Ch. 97, Sec. 30.)

16 [Chapters 8502-8800 reserved for expansion]

17 SUBTITLE H. DISTRICTS GOVERNING GROUNDWATER

18 CHAPTER 8801. HARRIS-GALVESTON COASTAL SUBSIDENCE DISTRICT

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Sec. 8801.001. DEFINITIONS

21 Sec. 8801.002. NATURE OF DISTRICT

22 Sec. 8801.003. PURPOSE; LEGISLATIVE INTENT

23 Sec. 8801.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

24 Sec. 8801.005. DISTRICT TERRITORY

25 Sec. 8801.006. ADDITION OF ADJACENT COUNTY TO DISTRICT

26 [Sections 8801.007-8801.050 reserved for expansion]

27 SUBCHAPTER B. DISTRICT ADMINISTRATION

1   Sec. 8801.051.   DIRECTORS  
2   Sec. 8801.052.   APPOINTMENT OF DIRECTORS ON ADDITION OF COUNTY  
3                    TO DISTRICT  
4   Sec. 8801.053.   BOARD POWERS AND DUTIES  
5   Sec. 8801.054.   OFFICERS  
6   Sec. 8801.055.   MEETINGS  
7   Sec. 8801.056.   VACANCIES  
8   Sec. 8801.057.   GENERAL MANAGER  
9   Sec. 8801.058.   EMPLOYEES; BOND  
10            [Sections 8801.059-8801.100 reserved for expansion]  
11                    SUBCHAPTER C.   POWERS AND DUTIES  
12   Sec. 8801.101.   DISTRICT POWERS AND DUTIES  
13   Sec. 8801.102.   EXEMPTIONS  
14   Sec. 8801.103.   SALE OR DISTRIBUTION OF WATER PROHIBITED  
15   Sec. 8801.104.   AUTHORITY TO COMPEL TESTIMONY, ADMINISTER  
16                    OATHS, AND ISSUE SUBPOENAS  
17   Sec. 8801.105.   REPRESENTATION BY ATTORNEY GENERAL  
18   Sec. 8801.106.   GRANTS; CONTRACTS  
19   Sec. 8801.107.   COOPERATION WITH GOVERNMENTAL ENTITIES  
20   Sec. 8801.108.   RULES  
21   Sec. 8801.109.   HEARINGS  
22   Sec. 8801.110.   NOTICE OF HEARINGS  
23   Sec. 8801.111.   DISTRICT PLAN  
24   Sec. 8801.112.   ADOPTION OF DISTRICT PLAN  
25   Sec. 8801.113.   WATER CONSERVATION MEASURES  
26   Sec. 8801.114.   DISTRICT RESEARCH  
27   Sec. 8801.115.   STUDIES BY BOARD STAFF

1    Sec. 8801.116.    ACCESS TO PROPERTY  
2    Sec. 8801.117.    ANNUAL GROUNDWATER WITHDRAWAL DETERMINATION  
3    Sec. 8801.118.    MONITORING AND SUPERVISION BY DISTRICT  
4    Sec. 8801.119.    REGULATION OF SPACING AND GROUNDWATER  
5                        WITHDRAWAL  
6    Sec. 8801.120.    WATER-METERING DEVICES  
7                        [Sections 8801.121-8801.150 reserved for expansion]  
8                        SUBCHAPTER D.   REGULATORY PROVISIONS  
9    Sec. 8801.151.    GROUNDWATER WITHDRAWALS SUBJECT TO BOARD  
10                        RULE  
11   Sec. 8801.152.    CERTAIN WELLS EXEMPT  
12   Sec. 8801.153.    RESTRICTION ON REQUIREMENTS FOR CERTAIN  
13                        MUNICIPALITIES  
14   Sec. 8801.154.    WELL REGISTRATION  
15   Sec. 8801.155.    PERMIT REQUIRED  
16   Sec. 8801.156.    APPLICATION FOR PERMIT  
17   Sec. 8801.157.    NOTICE AND HEARING ON PERMIT  
18   Sec. 8801.158.    ISSUANCE OF PERMIT  
19   Sec. 8801.159.    TERM OF PERMIT  
20   Sec. 8801.160.    RENEWAL OF PERMIT  
21   Sec. 8801.161.    PERMIT FEES  
22   Sec. 8801.162.    ANNUAL REPORT  
23   Sec. 8801.163.    CONVERSION TO SURFACE WATER  
24   Sec. 8801.164.    MONITORING OF ALTERNATIVE WATER SUPPLY  
25                        [Sections 8801.165-8801.200 reserved for expansion]  
26                        SUBCHAPTER E.   APPEAL AND ENFORCEMENT PROVISIONS  
27   Sec. 8801.201.    APPEAL OF SURFACE WATER RATES

1 Sec. 8801.202. APPEAL OF DISTRICT ACTIONS

2 Sec. 8801.203. ALTERNATIVE APPEAL OF CERTAIN DISTRICT  
3 ACTIONS TO COMMISSION

4 Sec. 8801.204. INJUNCTIVE RELIEF; CIVIL PENALTY

5 CHAPTER 8801. HARRIS-GALVESTON COASTAL SUBSIDENCE DISTRICT

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 8801.001. DEFINITIONS. In this chapter:

8 (1) "Board" means the board of directors of the  
9 district.

10 (2) "Commission" means the Texas Commission on  
11 Environmental Quality.

12 (3) "District" means the Harris-Galveston Coastal  
13 Subsidence District.

14 (4) "Groundwater" means water located beneath the  
15 earth's surface. The term does not include water produced with oil  
16 in the production of oil and gas.

17 (5) "Subsidence" means the lowering of the elevation  
18 of the surface of land by groundwater withdrawal.

19 (6) "Water conservation" means a measure that seeks to  
20 make a water supply available for alternative or future use. The  
21 term includes best management practices, improved efficiency or  
22 accountability, recycling, reuse, pollution prevention, and  
23 reduction in consumption, loss, or waste.

24 (7) "Well" means a facility, device, or method used to  
25 withdraw groundwater from the groundwater supply.

26 (8) "Well owner" means a person who has an ownership  
27 interest in a well, operates a well, owns land on which a well is

1 located, or owns the water withdrawn or to be withdrawn from a well.

2 (9) "Withdrawal" means the act of extracting by  
3 pumping or some other method. (Water Code, Secs. 151.002(1), (2),  
4 (3), (5), (7), (8), (9), (10), (11).)

5 Sec. 8801.002. NATURE OF DISTRICT. The district is a  
6 groundwater conservation district created under Section 59,  
7 Article XVI, Texas Constitution, and is essential to accomplish the  
8 purposes of that section. (Water Code, Sec. 151.001(a).)

9 Sec. 8801.003. PURPOSE; LEGISLATIVE INTENT. (a) The  
10 purpose of this chapter is to provide for the regulation of  
11 groundwater withdrawal in the district to end subsidence, which  
12 contributes to or precipitates flooding or overflow of the  
13 district, including rising water resulting from a storm or  
14 hurricane.

15 (b) The legislature intends that the district shall  
16 administer and enforce this chapter and exercise the district's  
17 rights, powers, and duties in a manner that will effectively and  
18 expeditiously accomplish the purpose of this chapter. (Water Code,  
19 Secs. 151.004(a), (b).)

20 Sec. 8801.004. FINDINGS OF BENEFIT AND PUBLIC  
21 PURPOSE. (a) The district is created to serve a public use and  
22 benefit.

23 (b) The works and projects accomplished by the district  
24 under powers conferred by Section 59, Article XVI, Texas  
25 Constitution, will benefit all the land and other property included  
26 in the district. (Water Code, Sec. 151.004(c).)

27 Sec. 8801.005. DISTRICT TERRITORY. The district includes

1 the territory located within the boundaries of Harris County and  
2 Galveston County, as that territory may have been modified under:

3 (1) Section 8801.006 or its predecessor statute,  
4 former Section 151.003(b), Water Code;

5 (2) Subchapter J, Chapter 36, Water Code; or

6 (3) other law. (Water Code, Sec. 151.003(a); New.)

7 Sec. 8801.006. ADDITION OF ADJACENT COUNTY TO  
8 DISTRICT. (a) A county adjoining the district may be added to the  
9 district:

10 (1) on application by the commissioners court of the  
11 adjoining county; and

12 (2) by complying with the procedures provided by  
13 Subchapter K, Chapter 36, Water Code.

14 (b) A county added to the district under this section is  
15 subject to this chapter and the jurisdiction of the board. (Water  
16 Code, Sec. 151.003(b) (part).)

17 [Sections 8801.007-8801.050 reserved for expansion]

#### 18 SUBCHAPTER B. DISTRICT ADMINISTRATION

19 Sec. 8801.051. DIRECTORS. (a) The district is governed  
20 by a board composed of 19 directors appointed as provided by this  
21 section. Directors serve for two-year, staggered terms. A  
22 director must be a qualified voter of the district.

23 (b) The mayor of the municipality with the largest  
24 population of any municipality in the district shall appoint six  
25 directors from that municipality. One of those directors must be a  
26 representative of industry.

27 (c) The mayor of the municipality with the second largest

1 population of any municipality in the district shall appoint one  
2 director from that municipality.

3 (d) The mayors of all municipalities in Galveston County  
4 shall jointly appoint two directors from those municipalities.

5 (e) The mayor of Baytown shall appoint one director from the  
6 municipality of Baytown.

7 (f) The Commissioners Court of Harris County shall appoint  
8 three directors who are not residents of the municipality that has  
9 the largest population of any municipality in the district. One of  
10 those directors must be a representative of agriculture, one must  
11 be a representative of industry, and one must be a representative of  
12 municipal utility districts and a resident of a municipal utility  
13 district in the district.

14 (g) The Commissioners Court of Galveston County shall  
15 appoint three directors. One of those directors must be a  
16 representative of municipal utility districts and a resident of a  
17 municipal utility district in the district.

18 (h) The president of the Clear Lake City Water Authority and  
19 the mayors of the municipalities of Deer Park, Galena Park, La  
20 Porte, Nassau Bay, and Seabrook shall jointly appoint one director  
21 from Harris County.

22 (i) The mayors of the municipalities of West University  
23 Place, Southside Place, Bellaire, and Jacinto City shall jointly  
24 appoint one director from Harris County.

25 (j) The mayors of the municipalities of Humble, Piney Point  
26 Village, Hedwig Village, Bunker Hill Village, Hunters Creek  
27 Village, Hilshire Village, and Spring Valley shall jointly appoint

1 one director from Harris County. (Water Code, Sec. 151.031.)

2 Sec. 8801.052. APPOINTMENT OF DIRECTORS ON ADDITION OF  
3 COUNTY TO DISTRICT. (a) On addition of a county to the district  
4 under Section 8801.006, two directors are added to the board as  
5 follows:

6 (1) the commissioners court of the county added to the  
7 district shall appoint one director; and

8 (2) the mayor of the municipality that has the largest  
9 population in the added county shall appoint one director.

10 (b) The directors added to the board under Subsection (a)  
11 shall draw lots to establish staggered terms of office. (Water  
12 Code, Sec. 151.003(b) (part).)

13 Sec. 8801.053. BOARD POWERS AND DUTIES. In addition to the  
14 powers and duties described in this chapter, the board has all other  
15 powers necessary or convenient to carry out its responsibilities  
16 and accomplish the purpose of this chapter. (Water Code, Sec.  
17 151.005(b) (part).)

18 Sec. 8801.054. OFFICERS. Each year, at the first meeting  
19 after the new directors take office, the directors shall select  
20 from among the directors a president, a vice president, and a  
21 secretary. (Water Code, Sec. 151.032(a).)

22 Sec. 8801.055. MEETINGS. The board shall hold regular  
23 meetings once each month at a time set by the board. The board may  
24 hold special meetings at the call of the president or on the written  
25 request of at least three directors. (Water Code, Sec. 151.034.)

26 Sec. 8801.056. VACANCIES. If a vacancy occurs on the board,  
27 a person representing the same area as the vacating director shall



1 be appointed as provided by Section 8801.051 to serve the unexpired  
2 term. (Water Code, Sec. 151.033.)

3 Sec. 8801.057. GENERAL MANAGER. (a) The board shall  
4 employ a general manager, who serves as the chief administrative  
5 officer of the district.

6 (b) The duties of the general manager include:

7 (1) administering board orders;

8 (2) coordinating with state, federal, and local  
9 agencies;

10 (3) overseeing development of district plans and  
11 programs; and

12 (4) performing other duties assigned by the board.

13 (c) The board shall determine the compensation and terms of  
14 office and employment for the general manager.

15 (d) The board by majority vote may discharge the general  
16 manager. (Water Code, Secs. 151.035(a) (part), (b), (c).)

17 Sec. 8801.058. EMPLOYEES; BOND. (a) The general manager  
18 shall employ persons necessary to properly handle district business  
19 and operation. The general manager may employ attorneys,  
20 bookkeepers, engineers, and other expert and specialized personnel  
21 considered necessary.

22 (b) The general manager shall determine the compensation  
23 paid to district employees.

24 (c) The general manager may discharge a district employee.

25 (d) The board shall require an employee who collects, pays,  
26 or handles district funds to furnish a good and sufficient bond.  
27 The bond must be in an amount sufficient to safeguard the district

1 and must be:

2 (1) payable to the district; and

3 (2) conditioned on the faithful performance of the  
4 employee's duties and on accounting for all district funds and  
5 property in the employee's hands.

6 (e) The district shall pay for the bond described by  
7 Subsection (d). (Water Code, Sec. 151.036.)

8 [Sections 8801.059-8801.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 8801.101. DISTRICT POWERS AND DUTIES. (a) Except as  
11 provided by Sections 8801.102 and 8801.103, the district has all of  
12 the rights, powers, privileges, authority, functions, and duties  
13 provided by the general laws of this state, including Chapter 36,  
14 Water Code, that are applicable to groundwater conservation  
15 districts created under Section 59, Article XVI, Texas  
16 Constitution.

17 (b) This chapter prevails over any other law in conflict or  
18 inconsistent with this chapter. (Water Code, Secs. 151.005(a),  
19 (e).)

20 Sec. 8801.102. EXEMPTIONS. Sections 36.104, 36.114,  
21 36.117, and 36.201-36.204, Water Code, do not apply to the  
22 district. (Water Code, Sec. 151.005(c).)

23 Sec. 8801.103. SALE OR DISTRIBUTION OF WATER PROHIBITED.  
24 The district may not sell or distribute surface water or  
25 groundwater for any purpose. (Water Code, Sec. 151.005(d).)

26 Sec. 8801.104. AUTHORITY TO COMPEL TESTIMONY, ADMINISTER  
27 OATHS, AND ISSUE SUBPOENAS. If necessary to carry out its powers,

1 duties, and functions under this chapter, the board may:

2 (1) compel the testimony of a person;

3 (2) administer an oath to a person compelled to  
4 testify before the board or a person designated by the board; and

5 (3) issue a subpoena to compel the testimony of a  
6 person and the production of a document. (Water Code, Sec.  
7 151.073.)

8 Sec. 8801.105. REPRESENTATION BY ATTORNEY GENERAL. The  
9 attorney general shall defend the district in suits brought against  
10 the district in all district and appellate courts of this state and  
11 in the courts of the United States. (Water Code, Sec. 151.037(b).)

12 Sec. 8801.106. GRANTS; CONTRACTS. The district may make or  
13 accept a grant, gratuity, advance, or loan in any form to or from  
14 any public source approved by the board, including a governmental  
15 entity, and may enter into a contract, agreement, or covenant that  
16 the board considers appropriate in connection with a grant,  
17 gratuity, advance, or loan. (Water Code, Sec. 151.083(b).)

18 Sec. 8801.107. COOPERATION WITH GOVERNMENTAL ENTITIES. In  
19 implementing this chapter, the board may request the assistance of  
20 and cooperate with a local government or an agency of this state or  
21 of the United States. (Water Code, Sec. 151.083(a).)

22 Sec. 8801.108. RULES. (a) After notice and hearing, the  
23 board shall adopt rules designed to expeditiously and effectively  
24 implement this chapter and accomplish its purpose, including rules  
25 governing procedures before the board. The board shall enforce the  
26 rules.

27 (b) The board shall compile its rules in a book and make the

1 rules available for use and inspection at the district's principal  
2 office. (Water Code, Sec. 151.071.)

3 Sec. 8801.109. HEARINGS. (a) Board hearings must be  
4 conducted as provided by this section and Section 8801.110.

5 (b) At a regular meeting of the board, the board shall set  
6 the dates, times, and locations for hearings to be held under this  
7 chapter. The board may hold hearings at any location in the  
8 district and may recess a hearing from day to day.

9 (c) A person may appear at a hearing and present testimony,  
10 evidence, exhibits, or other information in person or by counsel,  
11 or both.

12 (d) The board may use hearing examiners to hear a subject  
13 set for the hearing, but the board must make the decision on the  
14 subject. Procedures for use of hearing examiners shall be provided  
15 by rule. (Water Code, Secs. 151.072(a) (part), (b) (part), (f),  
16 (g), (h), (i).)

17 Sec. 8801.110. NOTICE OF HEARINGS. (a) Except as  
18 provided by this section, notice of hearings shall be provided  
19 according to Chapter 551, Government Code.

20 (b) At a meeting at which the board sets a hearing, the board  
21 shall direct the general manager of the district to give notice of  
22 the hearing.

23 (c) Written notice must be given to:

24 (1) each county and municipal government in the  
25 district; and

26 (2) each person that the board believes has an  
27 interest in the subject matter of the hearing.

1 (d) Notice of a hearing must be published at least once in a  
2 newspaper of general circulation in each county in the district.

3 (e) A copy of the notice must be posted in the place where  
4 notices are usually posted at the county courthouse of each county  
5 in the district. (Water Code, Secs. 151.072(a) (part), (b) (part),  
6 (c), (d), (e).)

7 Sec. 8801.111. DISTRICT PLAN. (a) The board shall  
8 formulate a plan to control and prevent subsidence in the district.

9 (b) The plan must:

10 (1) reduce groundwater withdrawals to amounts that  
11 will restore and maintain sufficient artesian pressure to control  
12 and prevent subsidence; and

13 (2) specify in as much detail as practicable the acts,  
14 procedures, performance, and avoidance that are necessary to  
15 accomplish the purpose of this chapter.

16 (c) Information gathered for formulating the plan must  
17 include:

18 (1) a list of all wells in the district that are  
19 subject to regulation under this chapter;

20 (2) a list of all available sources of water, other  
21 than groundwater, in the district;

22 (3) the purposes for which the water described by  
23 Subdivision (2) is used and for which it is proposed to be used;

24 (4) accurate estimates of:

25 (A) groundwater withdrawal from all wells or  
26 proposed wells in the district;

27 (B) the amount of groundwater that may be

1 withdrawn from each area in the district without causing a  
2 reduction of artesian pressure that will lead to subsidence in the  
3 district; and

4 (C) current and future water needs in the  
5 district;

6 (5) information relating to formulating a permit  
7 system; and

8 (6) other information and material necessary to manage  
9 groundwater in the district and to effectively and expeditiously  
10 accomplish the purpose of this chapter. (Water Code, Secs.  
11 151.074, 151.075(a).)

12 Sec. 8801.112. ADOPTION OF DISTRICT PLAN. (a) The board  
13 shall hold a hearing to consider a plan formulated under Section  
14 8801.111.

15 (b) After the hearing, the board shall:

16 (1) make any changes it considers necessary according  
17 to evidence and material presented at the hearing; and

18 (2) adopt the plan.

19 (c) The board may amend or repeal a plan adopted under this  
20 section and may adopt a new plan as provided by this section for the  
21 adoption of the original plan.

22 (d) An adopted plan remains in effect until a new plan is  
23 adopted. (Water Code, Secs. 151.075(b), (c), (d).)

24 Sec. 8801.113. WATER CONSERVATION MEASURES. (a) The  
25 board may adopt rules requiring the use of water conservation  
26 measures to reduce groundwater withdrawals.

27 (b) The district may cooperate with the commission and any

1 local government to establish water conservation goals,  
2 guidelines, and plans to be used in the district.

3 (c) The district may contract with a local government in the  
4 district to provide services needed to meet water conservation  
5 requirements that the commission establishes. (Water Code, Sec.  
6 151.079.)

7 Sec. 8801.114. DISTRICT RESEARCH. The district may conduct  
8 studies and research that the board considers necessary to  
9 implement this chapter. In conducting studies and research, the  
10 district may use the services of geologists, hydrologists, licensed  
11 engineers, or other expert personnel. (Water Code, Sec. 151.082.)

12 Sec. 8801.115. STUDIES BY BOARD STAFF. At least once each  
13 year and at any other time the board considers necessary, the board  
14 shall have its staff and, if necessary, the staff of the Texas Water  
15 Development Board make a complete study of the groundwater in the  
16 district and determine:

17 (1) the water level;

18 (2) the rates and amounts of groundwater withdrawal;

19 and

20 (3) other information relating to groundwater  
21 withdrawal that may effect subsidence in the district. (Water  
22 Code, Sec. 151.076.)

23 Sec. 8801.116. ACCESS TO PROPERTY. (a) To perform  
24 technical and other investigations needed to implement this  
25 chapter, the board and its agents and employees are entitled to  
26 access to all property in the district.

27 (b) Before entering property for the purposes of this

1 section, the person seeking access shall:

2 (1) give notice to the owner of the property as  
3 provided by district rules; and

4 (2) present proper credentials.

5 (c) The board and its agents and employees who enter private  
6 property shall observe the establishment's rules concerning  
7 safety, internal security, and fire protection. (Water Code, Sec.  
8 151.038.)

9 Sec. 8801.117. ANNUAL GROUNDWATER WITHDRAWAL  
10 DETERMINATION. (a) Not later than March 31 of each year, the  
11 board shall hold a hearing to determine the effects of groundwater  
12 withdrawal during the preceding calendar year on subsidence in the  
13 district.

14 (b) At the hearing, the board shall consider information  
15 provided under Sections 8801.115 and 8801.162 and information  
16 presented by persons appearing before the board.

17 (c) After the hearing, the board shall:

18 (1) consider all information presented to it;

19 (2) determine groundwater withdrawal in the district  
20 during the preceding calendar year; and

21 (3) make findings on the effects of groundwater  
22 withdrawal during the preceding calendar year on subsidence in the  
23 district.

24 (d) The board's findings and determinations under  
25 Subsection (c) shall be included in a report adopted by the board.  
26 The board shall make the report available for examination by any  
27 interested person. (Water Code, Sec. 151.077.)



1           Sec. 8801.118. MONITORING AND SUPERVISION BY DISTRICT. The  
2 district may use subsidence compaction monitors, water-level  
3 observation wells, and other materials and equipment to determine  
4 the amount of groundwater that may be withdrawn while allowing  
5 groundwater to rebound and stabilize to a level that will halt  
6 subsidence. (Water Code, Sec. 151.081.)

7           Sec. 8801.119. REGULATION OF SPACING AND GROUNDWATER  
8 WITHDRAWAL. (a) To minimize as far as practicable the drawdown of  
9 the water table and the reduction of artesian pressure and to  
10 control and prevent subsidence, the board may provide for the  
11 spacing of wells in the district and may regulate groundwater  
12 withdrawal from wells, taking into consideration the economic  
13 impact on well owners, the resulting effect on subsidence, and  
14 other relevant factors.

15           (b) Before issuing an order or rule under this section, the  
16 board shall set a hearing on the proposed order or rule. (Water  
17 Code, Sec. 151.078.)

18           Sec. 8801.120. WATER-METERING DEVICES. The board may  
19 require water-metering devices to be placed on wells in the  
20 district. (Water Code, Sec. 151.080.)

21           [Sections 8801.121-8801.150 reserved for expansion]

22                       SUBCHAPTER D. REGULATORY PROVISIONS

23           Sec. 8801.151. GROUNDWATER WITHDRAWALS SUBJECT TO BOARD  
24 RULE. Groundwater withdrawals governed by this chapter are subject  
25 to reasonable board rules and orders, taking into account all  
26 factors, including availability of surface water, economic impact  
27 on persons and the community, degree and effect of subsidence on the

1 surface of land, and differing topographical and geophysical  
2 characteristics of land areas in the district. (Water Code, Sec.  
3 151.005(b) (part).)

4 Sec. 8801.152. CERTAIN WELLS EXEMPT. The regulatory  
5 provisions of this chapter do not apply to:

6 (1) a well regulated under Chapter 27, Water Code;

7 (2) a well with a casing diameter of less than five  
8 inches that serves a single-family dwelling; and

9 (3) any other well as provided by board rule. (Water  
10 Code, Sec. 151.084(a).)

11 Sec. 8801.153. RESTRICTION ON REQUIREMENTS FOR CERTAIN  
12 MUNICIPALITIES. The board may require a municipality with a  
13 population of less than 100,000 to reduce its groundwater  
14 withdrawal by more than 50 percent in a three-year period only if  
15 the board determines at a public hearing that the reduction:

16 (1) would not cause the municipality to have an  
17 inadequate supply of water for its residents; and

18 (2) would not cause an increase of 50 percent or more  
19 in water rates for the municipality or its residents. (Water Code,  
20 Sec. 151.126(f).)

21 Sec. 8801.154. WELL REGISTRATION. The board by rule may  
22 require the registration of any well in the district. (Water Code,  
23 Sec. 151.084(b).)

24 Sec. 8801.155. PERMIT REQUIRED. The owner or operator of a  
25 well located in the district must obtain a permit from the board  
26 before:

27 (1) drilling, equipping, or completing the well;

1           (2) substantially altering the size of the well or a  
2 well pump; or

3           (3) operating the well.       (Water Code, Secs.  
4 151.002(4), 151.121.)

5       Sec. 8801.156. APPLICATION FOR PERMIT. (a) A person must  
6 submit an application to the board to obtain a permit under this  
7 chapter.

8       (b) The application must state:

9           (1) the name and address of the person requesting the  
10 permit;

11          (2) the location and wellhead elevation of the well or  
12 proposed well;

13          (3) the amount of water being withdrawn or proposed to  
14 be withdrawn; and

15          (4) any other information necessary for the board to  
16 control and prevent subsidence in the district.

17       (c) The board shall set a reasonable fee for processing an  
18 application. The application must be accompanied by the fee.  
19 (Water Code, Sec. 151.124.)

20       Sec. 8801.157. NOTICE AND HEARING ON PERMIT. (a) On  
21 receiving an application for a permit, the board shall issue notice  
22 and set a time for a hearing on the application.

23       (b) The board must give notice of the date, time, and  
24 location of the hearing to the applicant by certified mail, return  
25 receipt requested.

26       (c) The board may consider as many applications for permits  
27 as necessary at a hearing. (Water Code, Sec. 151.125.)

1           Sec. 8801.158. ISSUANCE OF PERMIT. (a) Within a  
2 reasonable period after a permit hearing under Section 8801.157,  
3 but not later than the 60th day after the date of the hearing, the  
4 board shall:

5                   (1) decide whether to issue the permit; and

6                   (2) set the terms of the permit if it decides to issue  
7 the permit.

8           (b) In deciding whether to issue a permit and in setting the  
9 terms of the permit, the board shall consider:

10                   (1) the purpose of this chapter;

11                   (2) the district plan;

12                   (3) the quality, quantity, and availability of surface  
13 water at prices that are competitive with prices charged by  
14 suppliers of surface water in the district;

15                   (4) the economic impact on the applicant of a decision  
16 to issue or deny the permit, or of the permit terms, in relation to  
17 the effect on subsidence that would result;

18                   (5) the applicant's use of water conservation  
19 measures; and

20                   (6) all other relevant factors.

21           (c) The board shall issue a permit to an applicant if, on  
22 presentation of adequate proof, the board finds that:

23                   (1) there is no other adequate and available  
24 substitute or supplemental source of surface water at prices  
25 competitive with the prices charged by suppliers of surface water  
26 in the district; and

27                   (2) compliance with any provision of this chapter or

1 any district rule will result in an arbitrary taking of property or  
2 in the practical closing and elimination of a lawful business,  
3 occupation, or activity without sufficient corresponding benefit  
4 or advantage to the public.

5 (d) The permit must state the terms prescribed by the board.  
6 The permit must include:

7 (1) the name and address of the person to whom the  
8 permit is issued;

9 (2) the location of the well;

10 (3) the date the permit expires;

11 (4) conditions and restrictions placed on groundwater  
12 withdrawal; and

13 (5) other terms necessary to control and prevent  
14 subsidence. (Water Code, Secs. 151.126(a), (b), (c), (d), (e).)

15 Sec. 8801.159. TERM OF PERMIT. (a) A permit issued under  
16 this chapter may be for a term not to exceed five years as set by the  
17 board.

18 (b) A permit does not become a vested right of the permit  
19 holder. The board may revoke or suspend a permit or amend its terms  
20 after notice and hearing when reasonably necessary to accomplish  
21 the purpose of this chapter. (Water Code, Sec. 151.122.)

22 Sec. 8801.160. RENEWAL OF PERMIT. The board may renew a  
23 permit for a well in the manner provided for obtaining the original  
24 permit. (Water Code, Sec. 151.123.)

25 Sec. 8801.161. PERMIT FEES. (a) When the board issues or  
26 renews a permit, the board shall collect a permit fee from the  
27 applicant. The fee shall be determined by a schedule based on the

1 term of the permit and the maximum annual amount of groundwater that  
2 the board authorizes to be withdrawn from the well.

3 (b) The board shall determine the amount of a permit fee  
4 after a hearing. The fee may not exceed 110 percent of the highest  
5 rate that the City of Houston charges for surface water supplied to  
6 its customers in the district.

7 (c) The amount of a permit fee applicable to a well used for  
8 irrigating agricultural crops is the lowest of:

9 (1) 70 percent of the lowest amount determined under  
10 Subsection (b);

11 (2) 70 percent of a base amount of one cent for each  
12 thousand gallons authorized to be withdrawn, except that the board  
13 may adjust the base amount annually to account for increases since  
14 1992 in the most recently published Consumer Price Index for All  
15 Urban Consumers, All Items (Houston, Texas, Average), as compiled  
16 by the Bureau of Labor Statistics, United States Department of  
17 Labor; or

18 (3) the amount determined in accordance with  
19 Subsection (d).

20 (d) At a hearing, the board shall calculate and express as a  
21 percentage the relative contribution to subsidence by wells used  
22 for irrigating agricultural crops and wells used for other  
23 purposes. The board shall use information prepared by the United  
24 States Geological Survey, which is presumed to be correct. The  
25 permit fee for wells used for irrigating agricultural crops must be  
26 such that the percentage of total permit fee revenue that permit fee  
27 revenue from those wells represents equals the percentage that

1 agricultural use contributes to subsidence.

2 (e) The board shall use permit fees collected under this  
3 section to pay the cost of issuing permits and performing other  
4 regulatory functions. (Water Code, Sec. 151.128.)

5 Sec. 8801.162. ANNUAL REPORT. Before January 31 each year,  
6 a well owner who holds a permit under this chapter shall submit to  
7 the board a report stating:

8 (1) the well owner's name;

9 (2) the total amount of groundwater withdrawn from the  
10 well during the preceding 12-month period;

11 (3) the total amount of groundwater withdrawn from the  
12 well during each month of the preceding 12-month period;

13 (4) the purpose for which the groundwater was used;  
14 and

15 (5) any other information the board considers  
16 necessary. (Water Code, Sec. 151.127.)

17 Sec. 8801.163. CONVERSION TO SURFACE WATER. (a) In this  
18 section, "alternative water supply" means a water supply that a  
19 person needs to acquire from sources other than the person's own  
20 groundwater supply to comply with a board order issued under this  
21 section.

22 (b) The board may issue an order requiring a person to  
23 completely or partially discontinue the use of groundwater only if  
24 the person is able to acquire a water supply composed of surface  
25 water needed to replace the water supply covered by the order.

26 (c) A notice of public hearing must inform a person when the  
27 board will consider an order to convert to surface water.

1           (d) In addition to the percentage of groundwater that a  
2 board order authorizes a person to use, the person may use in the  
3 current permit year a percentage of groundwater that is equal to the  
4 percentage result of multiplying the annual average percentage of  
5 groundwater, as determined under Section 8801.164(d), delivered to  
6 the person during the preceding permit year by the total percentage  
7 of alternative water supply required by the board's order for the  
8 current year.

9           (e) This section does not limit the board's authority to  
10 issue an order or adopt a rule requiring a person to reduce  
11 groundwater use by eliminating waste or implementing water  
12 conservation. (Water Code, Secs. 151.129(a), (d) (part), (f),  
13 151.163(a) (part).)

14           Sec. 8801.164. MONITORING           OF           ALTERNATIVE           WATER  
15 SUPPLY. (a) In this section, "alternative water supply" has the  
16 meaning assigned by Section 8801.163.

17           (b) If a person who is issued an order under Section  
18 8801.163 acquires an alternative water supply and files with the  
19 commission a written request for monitoring the supply, the  
20 commission shall monitor annually the water delivered to the person  
21 from the date of the request to the expiration of the annual permit  
22 to determine the percentage of the water that is surface water and  
23 the percentage that is groundwater.

24           (c) If required under Subsection (b) to monitor water  
25 deliveries, the commission shall monitor the deliveries at random  
26 times at all points of connection between the purchaser's and  
27 seller's water systems. Samples taken through monitoring must be



1 analyzed by water chemists employed by or contracting with the  
2 commission. The water chemist making each analysis shall issue a  
3 certified written analysis of the percentages of surface water and  
4 groundwater included in the sample.

5 (d) Not later than the 15th day after the last day of each  
6 permit year, the commission shall issue a certified written  
7 analysis based on all samples collected that states the annual  
8 average percentages of surface water and groundwater that the  
9 seller provided to the purchaser for the permit year.

10 (e) The commission shall make results of an analysis under  
11 this section available on request to the purchaser, seller, or  
12 board.

13 (f) The commission shall assess reasonable fees to cover the  
14 costs of water sampling and analysis under this section. The  
15 commission shall assess one-half of the fees to the purchaser and  
16 one-half to the seller. (Water Code, Secs. 151.129(b), (c), (d)  
17 (part), (e).)

18 [Sections 8801.165-8801.200 reserved for expansion]

#### 19 SUBCHAPTER E. APPEAL AND ENFORCEMENT PROVISIONS

20 Sec. 8801.201. APPEAL OF SURFACE WATER RATES. (a) A  
21 person who is required to convert to surface water under this  
22 chapter and who purchases that water supply wholesale from a  
23 political subdivision as defined by Section 12.013(b), Water Code,  
24 may appeal to the commission the rates the political subdivision  
25 charges to the person. Chapter 12, Water Code, and rules adopted  
26 under that chapter apply to an appeal under this section.

27 (b) The commission shall hear the appeal not later than the

1 180th day after the date the appeal is filed.

2 (c) The commission shall issue a final decision on the  
3 appeal not later than the 60th day after the date the hearing ends.  
4 (Water Code, Sec. 151.161.)

5 Sec. 8801.202. APPEAL OF DISTRICT ACTIONS. (a) A person  
6 who is adversely affected by a rule, order, or other official action  
7 of the district under this chapter, including a person residing in  
8 or owning real property in the district whose residence or real  
9 property is subsiding, may appeal the action in a district court in  
10 any county in the district. An appeal under this section must be  
11 filed not later than the 45th day after the date the action is  
12 taken.

13 (b) On a written request from a person residing in or owning  
14 real property in the district, the board shall make written  
15 findings and conclusions regarding a rule, order, or other official  
16 action of the district. The board shall provide certified copies of  
17 those findings and conclusions to the person not later than the 35th  
18 day after the date the board receives the request.

19 (c) An appeal under this section is governed by the  
20 substantial evidence rule as provided by Subchapter G, Chapter  
21 2001, Government Code. (Water Code, Sec. 151.162.)

22 Sec. 8801.203. ALTERNATIVE APPEAL OF CERTAIN DISTRICT  
23 ACTIONS TO COMMISSION. (a) As an alternative to the appeal  
24 procedure provided by Section 8801.202, a person who is granted a  
25 permit authorizing groundwater withdrawal in an amount less than  
26 the person requested may appeal the board's final decision to the  
27 commission. The person must file the appeal not later than the 60th

1 day after the date the board issues its final order.

2 (b) On a written request from a person proposing to appeal  
3 an order under this section, the board shall make written findings  
4 and conclusions regarding the order. The board shall provide  
5 certified copies of the findings and conclusions to the person not  
6 later than the 35th day after the date the board receives the  
7 request.

8 (c) The effect of a board order is stayed until the  
9 commission's decision on an appeal under this section is final.

10 (d) An appeal to the commission under this section is  
11 governed by the substantial evidence rule as provided by Subchapter  
12 G, Chapter 2001, Government Code.

13 (e) The commission may:

14 (1) adopt rules necessary to implement this section;  
15 and

16 (2) adopt and assess reasonable and necessary fees  
17 adequate to recover the commission's costs in administering this  
18 section.

19 (f) An appeal of a final commission decision is to a  
20 district court in Travis County. The appeal shall be under the  
21 substantial evidence rule. A party appealing a decision of the  
22 district court is not required to provide an appeal bond. (Water  
23 Code, Secs. 151.163(a) (part), (b), (c), (d), (e), (f) (part), (g),  
24 (h).)

25 Sec. 8801.204. INJUNCTIVE RELIEF; CIVIL PENALTY. (a) If  
26 it appears that a person has violated or is violating or threatening  
27 to violate this chapter or a rule, permit, or other order of the

1 district issued or adopted under this chapter, the district may  
2 institute an action in a district court in the district for:

3 (1) injunctive relief to restrain the person from  
4 continuing the violation or threat of violation;

5 (2) the assessment and recovery of a civil penalty of  
6 not less than \$50 and not more than \$5,000 for each violation and  
7 for each day of a continuing violation; or

8 (3) both injunctive relief and civil penalties.

9 (b) On application for injunctive relief and a finding that  
10 a person is violating or threatening to violate this chapter or a  
11 rule, permit, or other order of the district under this chapter, the  
12 district court shall grant injunctive relief as the facts warrant.

13 (c) At the request of the board, or the general manager if  
14 authorized by the board, the attorney general shall institute and  
15 conduct an action in the name of the district for injunctive relief  
16 or to recover a civil penalty, or both.

17 (d) The district is not required to post a bond or other  
18 security with the court. (Water Code, Sec. 151.164.)

19 [Chapters 8802-9000 reserved for expansion]

20 SUBTITLE I. WATER CONTROL AND IMPROVEMENT DISTRICTS

21 [Chapters 9001 and 9002 reserved for expansion]

22 CHAPTER 9003. AQUILLA-HACKBERRY CREEK

23 CONSERVATION DISTRICT

24 SUBCHAPTER A. GENERAL PROVISIONS

25 Sec. 9003.001. DEFINITIONS

26 Sec. 9003.002. NATURE OF DISTRICT

27 Sec. 9003.003. LEGISLATIVE DECLARATION AND FINDINGS

1   Sec. 9003.004.   DISTRICT TERRITORY  
2   Sec. 9003.005.   LIBERAL CONSTRUCTION OF CHAPTER  
3                   [Sections 9003.006-9003.050 reserved for expansion]  
4                               SUBCHAPTER B.  ADMINISTRATION  
5   Sec. 9003.051.   BOARD  
6   Sec. 9003.052.   QUALIFICATIONS FOR OFFICE  
7   Sec. 9003.053.   BOND  
8   Sec. 9003.054.   ORDER FOR DIRECTORS ELECTION  
9   Sec. 9003.055.   NOTICE OF ELECTION  
10  Sec. 9003.056.   ELECTION RESULTS  
11  Sec. 9003.057.   PETITION  
12  Sec. 9003.058.   COMPENSATION  
13  Sec. 9003.059.   APPOINTMENT OF SECRETARY AND TREASURER  
14  Sec. 9003.060.   VOTE BY BOARD PRESIDENT  
15  Sec. 9003.061.   EMPLOYEES  
16  Sec. 9003.062.   DISTRICT SEAL  
17                   [Sections 9003.063-9003.100 reserved for expansion]  
18                               SUBCHAPTER C.  POWERS AND DUTIES  
19  Sec. 9003.101.   GENERAL POWERS  
20  Sec. 9003.102.   SURVEYS; ENGINEERING INVESTIGATIONS  
21  Sec. 9003.103.   EXPENDITURES  
22  Sec. 9003.104.   LIMITATION ON EMINENT DOMAIN  
23  Sec. 9003.105.   COST OF RELOCATING PROPERTY  
24                   [Sections 9003.106-9003.150 reserved for expansion]  
25                               SUBCHAPTER D.  TAXES AND BONDS  
26  Sec. 9003.151.   AUTHORITY TO IMPOSE TAX; TAX ELECTIONS  
27  Sec. 9003.152.   TAX LIEN

1 Sec. 9003.153. ISSUANCE OF BONDS

2 Sec. 9003.154. TAX STATUS OF BONDS

3 CHAPTER 9003. AQUILLA-HACKBERRY CREEK

4 CONSERVATION DISTRICT

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 9003.001. DEFINITIONS. In this chapter:

7 (1) "Board" means the board of directors of the  
8 district.

9 (2) "District" means the Aquilla-Hackberry Creek  
10 Conservation District. (V.A.C.S. Art. 8280-222, Sec. 1 (part);  
11 New.)

12 Sec. 9003.002. NATURE OF DISTRICT. The district is a  
13 conservation and reclamation district and a political subdivision  
14 created under Section 59, Article XVI, Texas Constitution.  
15 (V.A.C.S. Art. 8280-222, Sec. 1 (part).)

16 Sec. 9003.003. LEGISLATIVE DECLARATION AND  
17 FINDINGS. (a) The legislature declares that:

18 (1) the district is essential to accomplish the  
19 purposes of Section 59, Article XVI, Texas Constitution; and

20 (2) this chapter addresses a subject in which the  
21 state and general public are interested.

22 (b) The legislature finds that:

23 (1) all land included in the district will be  
24 benefited; and

25 (2) the district is created to serve a public use and  
26 benefit. (V.A.C.S. Art. 8280-222, Secs. 3 (part), 10 (part).)

27 Sec. 9003.004. DISTRICT TERRITORY. The district is

1 composed of the territory described by Section 3, Chapter 183, Acts  
2 of the 56th Legislature, Regular Session, 1959 (Article 8280-222,  
3 Vernon's Texas Civil Statutes), as that territory may have been  
4 modified under:

5 (1) Subchapter O, Chapter 51, Water Code, before  
6 September 1, 1995;

7 (2) Subchapter J, Chapter 49, Water Code; or

8 (3) other law. (New.)

9 Sec. 9003.005. LIBERAL CONSTRUCTION OF CHAPTER. This  
10 chapter shall be liberally construed to accomplish its purposes.  
11 (V.A.C.S. Art. 8280-222, Sec. 10 (part).)

12 [Sections 9003.006-9003.050 reserved for expansion]

13 SUBCHAPTER B. ADMINISTRATION

14 Sec. 9003.051. BOARD. The board consists of five  
15 directors. (V.A.C.S. Art. 8280-222, Sec. 4(a) (part).)

16 Sec. 9003.052. QUALIFICATIONS FOR OFFICE. A director of  
17 the district must be:

18 (1) at least 21 years of age;

19 (2) a resident of the state; and

20 (3) the owner of taxable property in the district.

21 (V.A.C.S. Art. 8280-222, Sec. 4(a) (part).)

22 Sec. 9003.053. BOND. Each director shall make bond in the  
23 amount of \$5,000 for the faithful performance of the director's  
24 duties. (V.A.C.S. Art. 8280-222, Sec. 4(a) (part).)

25 Sec. 9003.054. ORDER FOR DIRECTORS ELECTION. The election  
26 order for a directors election shall state the time, place, and  
27 purpose of the election. (V.A.C.S. Art. 8280-222, Sec. 4(c))

1 (part).)

2 Sec. 9003.055. NOTICE OF ELECTION. Notice of the directors  
3 election shall be published two times in a newspaper of general  
4 circulation in the district at least 30 days before the election.  
5 (V.A.C.S. Art. 8280-222, Sec. 4(c) (part).)

6 Sec. 9003.056. ELECTION RESULTS. (a) The candidate  
7 receiving the highest number of votes for a position shall be  
8 declared elected as a director of the district.

9 (b) The board shall enter an order declaring the results of  
10 the election. (V.A.C.S. Art. 8280-222, Sec. 4(c) (part).)

11 Sec. 9003.057. PETITION. (a) Any candidate for director  
12 may have the candidate's name printed on the ballot by submitting a  
13 petition signed by at least 25 persons qualified to vote at the  
14 election.

15 (b) The petition must be presented to the secretary of the  
16 board not later than the 21st day before the date of the election.  
17 (V.A.C.S. Art. 8280-222, Sec. 4(d).)

18 Sec. 9003.058. COMPENSATION. (a) Unless the board by  
19 resolution increases the fee to an amount authorized by Section  
20 49.060, Water Code, a director is entitled to receive an amount  
21 determined by the board, not to exceed \$40 a day, for:

22 (1) each day the director attends a meeting of the  
23 board; or

24 (2) each day the director otherwise devotes to the  
25 business of the district.

26 (b) A director is entitled to reimbursement for actual  
27 expenses incurred in attending to district business, provided the



1 service and expense are expressly approved by the board. (V.A.C.S.  
2 Art. 8280-222, Sec. 4(f).)

3 Sec. 9003.059. APPOINTMENT OF SECRETARY AND TREASURER. The  
4 board shall appoint a secretary and a treasurer. The board may  
5 combine the offices of secretary and treasurer. The secretary or  
6 treasurer is not required to be a director. (V.A.C.S.  
7 Art. 8280-222, Sec. 4(g) (part).)

8 Sec. 9003.060. VOTE BY BOARD PRESIDENT. The president has  
9 the same right to vote as any other director. (V.A.C.S.  
10 Art. 8280-222, Sec. 4(g) (part).)

11 Sec. 9003.061. EMPLOYEES. The board may employ a general  
12 manager, attorneys, accountants, engineers, or other technical or  
13 nontechnical employees or assistants and set the amount and manner  
14 of their compensation. (V.A.C.S. Art. 8280-222, Sec. 4(h) (part).)

15 Sec. 9003.062. DISTRICT SEAL. The board may adopt a seal  
16 for the district. (V.A.C.S. Art. 8280-222, Sec. 4(g) (part).)

17 [Sections 9003.063-9003.100 reserved for expansion]

#### 18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 9003.101. GENERAL POWERS. (a) The district has all  
20 the rights, powers, and privileges granted water control and  
21 improvement districts by:

22 (1) Chapter 51, Water Code; and

23 (2) other laws relating to water control and  
24 improvement districts.

25 (b) To the extent a general law described by Subsection (a)  
26 conflicts or is inconsistent with this chapter, this chapter  
27 prevails.

1 (c) In addition to powers granted the district under other  
2 law, the district has the power to:

3 (1) control, store, conserve, protect, distribute,  
4 and use the storm and flood waters in the district for all useful  
5 purposes permitted by law;

6 (2) implement flood prevention and control measures in  
7 the district and prevent or aid in preventing damage to district  
8 lands and the soil and fertility of those lands;

9 (3) receive and accept technical and financial  
10 assistance from other districts or state agencies or from the  
11 United States to accomplish district purposes; and

12 (4) purchase, construct, maintain, or in any other  
13 manner acquire, provide, and develop all works, facilities,  
14 improvements, lands, easements, and properties that may be  
15 necessary or useful in fulfilling any purpose of the district.  
16 (V.A.C.S. Art. 8280-222, Secs. 2 (part), 4(a) (part).)

17 Sec. 9003.102. SURVEYS; ENGINEERING INVESTIGATIONS. The  
18 board may conduct or provide for surveys and engineering  
19 investigations for district purposes. (V.A.C.S. Art. 8280-222,  
20 Sec. 4(h) (part).)

21 Sec. 9003.103. EXPENDITURES. The board may provide for the  
22 payment of expenditures considered essential to the proper  
23 maintenance of the district and its business. (V.A.C.S.  
24 Art. 8280-222, Sec. 4(h) (part).)

25 Sec. 9003.104. LIMITATION ON EMINENT DOMAIN. The  
26 district's powers of eminent domain are limited to Hill and  
27 McLennan counties. (V.A.C.S. Art. 8280-222, Sec. 9 (part).)

1           Sec. 9003.105. COST OF RELOCATING PROPERTY.       If the  
2 district's exercise of eminent domain or of another power granted  
3 by this chapter makes necessary relocating, raising, rerouting,  
4 changing the grade of, or altering the construction of any highway,  
5 railroad, electric transmission line, telephone or telegraph  
6 properties and facilities, or pipeline, all the necessary  
7 relocating, raising, rerouting, changing of grade, or alteration of  
8 construction shall be accomplished at the sole expense of the  
9 district. (V.A.C.S. Art. 8280-222, Sec. 9 (part).)

10           [Sections 9003.106-9003.150 reserved for expansion]

11                       SUBCHAPTER D. TAXES AND BONDS

12           Sec. 9003.151. AUTHORITY TO IMPOSE TAX; TAX  
13 ELECTIONS. (a) If authorized at an election under Section  
14 49.107, Water Code, the district may impose annual ad valorem taxes  
15 to provide funds:

16                       (1) necessary to construct or acquire, maintain, and  
17 operate works, plants, and facilities considered essential or  
18 beneficial to the district and its purposes; or

19                       (2) adequate to defray the cost of the maintenance,  
20 operation, and administration of the district.

21           (b) Elections for the imposition of taxes shall be:

22                       (1) ordered by the board; and

23                       (2) held and conducted in the manner provided by  
24 general law relating to elections for the authorization of bonds of  
25 water control and improvement districts.

26           (c) In calling an election for taxes authorized by  
27 Subsection (a), the board shall specify the maximum tax rate. A tax

1 in excess of that amount may not be imposed without submitting the  
2 question of the increased rate to the voters. (V.A.C.S.  
3 Art. 8280-222, Secs. 3 (part), 5 (part).)

4 Sec. 9003.152. TAX LIEN. All taxes imposed by the district  
5 for any purpose constitute a lien on the property taxed. Limitation  
6 does not bar the enforcement or collection of those taxes.  
7 (V.A.C.S. Art. 8280-222, Sec. 5 (part).)

8 Sec. 9003.153. ISSUANCE OF BONDS. (a) To accomplish  
9 district purposes, the board may borrow money and issue bonds in the  
10 manner provided by general law.

11 (b) In the resolution authorizing the bonds, the district  
12 may set aside an amount from the bond proceeds for:

13 (1) the payment of interest expected to accrue during  
14 construction; and

15 (2) a reserve interest and sinking fund.

16 (c) Bond proceeds may be used to pay all expenses  
17 necessarily incurred in accomplishing district purposes, including  
18 the expenses of issuing and selling the bonds.

19 (d) Pending the use of bond proceeds for the purpose for  
20 which the bonds were issued, the board may invest the proceeds in  
21 obligations of or guaranteed by the United States.

22 (e) Bonds payable wholly from the district's net revenue,  
23 from the proceeds of any water contracts, or from any source other  
24 than ad valorem taxes may be issued pursuant to a board resolution  
25 without a hearing or election. The resolution must be authorized by  
26 unanimous vote of all directors. (V.A.C.S. Art. 8280-222, Sec. 6  
27 (part).)

1           Sec. 9003.154. TAX STATUS OF BONDS. All bonds issued by the  
2 district, the transfer of the bonds, and the income from the bonds,  
3 including profits from the sale of the bonds, may not be taxed by  
4 the state or by any municipal corporation, county, or other  
5 political subdivision or taxing district of the state. (V.A.C.S.  
6 Art. 8280-222, Sec. 8.)

7                   [Chapters 9004-9300 reserved for expansion]

8                   SUBTITLE J. WATER IMPROVEMENT DISTRICTS

9           CHAPTER 9301. CAMERON COUNTY WATER IMPROVEMENT DISTRICT

10                               NUMBER TEN

11   Sec. 9301.001. DEFINITION

12   Sec. 9301.002. NATURE OF DISTRICT

13   Sec. 9301.003. PURPOSE

14   Sec. 9301.004. DISTRICT TERRITORY

15   Sec. 9301.005. LEGISLATIVE FINDINGS

16   Sec. 9301.006. GOVERNING LAW; POWERS AND DUTIES

17   Sec. 9301.007. BOARD OF DIRECTORS

18           CHAPTER 9301. CAMERON COUNTY WATER IMPROVEMENT DISTRICT

19                               NUMBER TEN

20           Sec. 9301.001. DEFINITION. In this chapter, "district"  
21 means the Cameron County Water Improvement District Number Ten.  
22 (New.)

23           Sec. 9301.002. NATURE OF DISTRICT. The district is a  
24 conservation and reclamation district created under Section 59,  
25 Article XVI, Texas Constitution. (Acts 41st Leg., 1st C.S., Ch.  
26 110, Sec. 1 (part).)

27           Sec. 9301.003. PURPOSE. The purposes of the district are:

1           (1) to reclaim and irrigate the district's arid,  
2   semiarid, and other lands needing irrigation;

3           (2) to reclaim and drain the district's overflowed  
4   lands and other lands needing drainage; and

5           (3) all other purposes under Section 59, Article XVI,  
6   Texas Constitution. (Acts 41st Leg., 1st C.S., Ch. 110, Sec. 1  
7   (part).)

8           Sec. 9301.004. DISTRICT TERRITORY. The district is  
9   composed of the territory described by Section 1, Chapter 110, Acts  
10   of the 41st Legislature, 1st Called Session, 1929, as that  
11   territory may have been modified under:

12           (1) Chapter 2, Title 128, Revised Statutes, before  
13   August 30, 1971;

14           (2) Chapter 55, Water Code, before September 1, 1995;

15           (3) Subchapter J, Chapter 49, Water Code; or

16           (4) other law. (New.)

17           Sec. 9301.005. LEGISLATIVE FINDINGS. The legislature  
18   determines that:

19           (1) all property within the boundaries of the district  
20   is benefited by the creation of the district;

21           (2) no property not benefited by the creation of the  
22   district is included in the district's boundaries; and

23           (3) the district is essential to accomplish the  
24   purposes of Section 59, Article XVI, Texas Constitution. (Acts  
25   41st Leg., 1st C.S., Ch. 110, Secs. 1 (part), 11 (part).)

26           Sec. 9301.006. GOVERNING LAW; POWERS AND DUTIES. (a) The  
27   district is governed by Chapters 49 and 55, Water Code.

1 (b) The district has the rights, powers, privileges,  
2 duties, and functions of a water improvement district under the  
3 Texas Constitution and general law, including Chapters 49 and 55,  
4 Water Code. (Acts 41st Leg., 1st C.S., Ch. 110, Secs. 1 (part), 2,  
5 11 (part).)

6 Sec. 9301.007. BOARD OF DIRECTORS. (a) The board  
7 consists of five directors.

8 (b) A director must meet the qualifications for a director  
9 under Chapter 55, Water Code. (Acts 41st Leg., 1st C.S., Ch. 110,  
10 Sec. 3 (part).)

11 [Chapters 9302-9500 reserved for expansion]

12 SUBTITLE K. SEAWALL COMMISSIONS

13 CHAPTER 9501. SEAWALL COMMISSION IN MATAGORDA COUNTY

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 9501.001. DEFINITIONS

16 Sec. 9501.002. AUTHORITY TO ESTABLISH COMMISSION

17 Sec. 9501.003. JURISDICTION

18 Sec. 9501.004. LAWSUITS

19 [Sections 9501.005-9501.050 reserved for expansion]

20 SUBCHAPTER B. COMMISSION

21 Sec. 9501.051. COMMISSION; TERMS

22 Sec. 9501.052. APPOINTMENT OF MEMBERS; VACANCY

23 Sec. 9501.053. ELIGIBILITY FOR APPOINTMENT

24 Sec. 9501.054. OATH

25 Sec. 9501.055. BOND

26 Sec. 9501.056. PRESIDING OFFICER

27 Sec. 9501.057. COMPENSATION; CERTIFIED REPORT

1    Sec. 9501.058.    REMOVAL FROM OFFICE  
 2    Sec. 9501.059.    TREASURER  
 3    Sec. 9501.060.    AUDITOR  
 4    Sec. 9501.061.    EMPLOYMENT OF ATTORNEY  
 5            [Sections 9501.062-9501.100 reserved for expansion]  
 6                        SUBCHAPTER C.   POWERS AND DUTIES  
 7    Sec. 9501.101.    COMMISSION POWERS  
 8    Sec. 9501.102.    AUTHORITY TO CONTRACT  
 9    Sec. 9501.103.    PURCHASING AND CONTRACTING  
 10   Sec. 9501.104.    ANNUAL REPORT REQUIRED  
 11   Sec. 9501.105.    CONDEMNATION PROCEEDINGS  
 12            [Sections 9501.106-9501.150 reserved for expansion]  
 13                        SUBCHAPTER D.   FINANCIAL PROVISIONS  
 14   Sec. 9501.151.    AD VALOREM TAX  
 15   Sec. 9501.152.    ASSESSMENT AND COLLECTION OF TAXES  
 16   Sec. 9501.153.    DISBURSEMENT OF FUNDS  
 17            CHAPTER 9501.   SEAWALL COMMISSION IN MATAGORDA COUNTY  
 18                        SUBCHAPTER A.   GENERAL PROVISIONS  
 19            Sec. 9501.001.   DEFINITIONS.   In this chapter:  
 20                        (1)   "Commission"       means       a       seawall       commission  
 21   established under Section 9501.002.  
 22                        (2)   "Commissioners court"   means   the   Commissioners  
 23   Court of Matagorda County.   (New.)  
 24            Sec. 9501.002.   AUTHORITY TO ESTABLISH COMMISSION.   (a)   The  
 25   commissioners court and the governing body of a municipality in  
 26   Matagorda County by resolution may establish a seawall commission  
 27   to perform the functions described by Section 421.002, Local



1 Government Code.

2 (b) A resolution authorized by Subsection (a) must specify  
3 the date on which the commission is established. (Loc. Gov. Code,  
4 Secs. 421.021(a), (b).)

5 Sec. 9501.003. JURISDICTION. (a) Except as provided by  
6 Subsection (b), the commission has jurisdiction only in county  
7 commissioners precinct number three in Matagorda County, as that  
8 precinct existed on December 31, 1959.

9 (b) The commission does not have jurisdiction in the  
10 municipality of Bay City. (Loc. Gov. Code, Sec. 421.021(c).)

11 Sec. 9501.004. LAWSUITS. The commission may sue and be sued  
12 in a court in this state. (Loc. Gov. Code, Sec. 421.023(h).)

13 [Sections 9501.005-9501.050 reserved for expansion]

14 SUBCHAPTER B. COMMISSION

15 Sec. 9501.051. COMMISSION; TERMS. The commission is  
16 composed of three members appointed for staggered terms of six  
17 years, with one member's term expiring every two years. (Loc. Gov.  
18 Code, Sec. 421.022(a).)

19 Sec. 9501.052. APPOINTMENT OF MEMBERS; VACANCY. (a) The  
20 members of the commission shall be appointed as follows:

21 (1) one member by the commissioners court;

22 (2) one member by the governing body of the  
23 municipality; and

24 (3) one member by the commissioners court and the  
25 governing body of the municipality, acting jointly.

26 (b) On expiration of a member's term of office, the office  
27 shall be filled by the authority that originally appointed the

1 member.

2 (c) If a vacancy occurs during the term, it shall be filled  
3 for the remainder of the term by the original appointing authority.  
4 (Loc. Gov. Code, Sec. 421.022(b).)

5 Sec. 9501.053. ELIGIBILITY FOR APPOINTMENT. To be eligible  
6 for appointment as a member of the commission, a person must own  
7 real property in and be a qualified voter of the area in which the  
8 commission has jurisdiction. (Loc. Gov. Code, Sec. 421.022(c).)

9 Sec. 9501.054. OATH. (a) Before assuming the duties of  
10 office, each member must:

11 (1) take the constitutional oath of office and swear  
12 in writing before the county judge that the member will faithfully  
13 and impartially discharge the duties of the office; and

14 (2) on the request of the commissioners court or the  
15 governing body of the municipality, give an account of the member's  
16 activities.

17 (b) The clerk of the county court shall file and maintain  
18 the oath of office as part of the records of the commission. (Loc.  
19 Gov. Code, Secs. 421.0221(a), (b).)

20 Sec. 9501.055. BOND. Each member of the commission shall  
21 execute a bond in the amount of \$1,000 that is:

22 (1) payable to the county judge for the benefit of the  
23 commission; and

24 (2) conditioned on the faithful performance of the  
25 member's official duties. (Loc. Gov. Code, Sec. 421.0221(c).)

26 Sec. 9501.056. PRESIDING OFFICER. (a) The members of the  
27 commission shall annually elect one member as presiding officer.

1 (b) The presiding officer shall:

2 (1) preside over commission meetings; and

3 (2) sign each contract, warrant, or other instrument  
4 made or issued by the commission. (Loc. Gov. Code, Sec.  
5 421.022(e).)

6 Sec. 9501.057. COMPENSATION; CERTIFIED REPORT. (a) The  
7 commissioners court and the governing body of the municipality by  
8 order or resolution shall set the compensation of members of the  
9 commission. The amount of compensation for each member may not  
10 exceed \$50 for each day that the member attends an official meeting  
11 of the commission. The total amount of compensation for each member  
12 each month may not exceed \$300.

13 (b) Each member shall submit to the county auditor for each  
14 pay period a certified report that describes in detail each time the  
15 member attended an official meeting of the commission. The report  
16 must be submitted on a date prescribed by the commissioners court  
17 and the governing body of the municipality. (Loc. Gov. Code, Secs.  
18 421.0221(d), (e).)

19 Sec. 9501.058. REMOVAL FROM OFFICE. The commissioners  
20 court and the governing body of the municipality, by a majority vote  
21 in a joint session, may remove a member of the commission from  
22 office only for malfeasance. (Loc. Gov. Code, Sec. 421.022(d).)

23 Sec. 9501.059. TREASURER. The county treasurer of  
24 Matagorda County shall serve as treasurer of the commission. (Loc.  
25 Gov. Code, Sec. 421.022(f).)

26 Sec. 9501.060. AUDITOR. The county auditor for Matagorda  
27 County is the auditor for the commission. (Loc. Gov. Code, Sec.

1 421.024(b).)

2 Sec. 9501.061. EMPLOYMENT OF ATTORNEY. The commission may  
3 employ an attorney for legal services required by the commission.  
4 (Loc. Gov. Code, Sec. 421.023(j).)

5 [Sections 9501.062-9501.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 9501.101. COMMISSION POWERS. The commission may  
8 exercise the authority granted to a county or municipality under  
9 Section 421.002, 421.003, 421.004, or 421.005 or Section 421.011(a)  
10 or (b), Local Government Code. (Loc. Gov. Code, Sec. 421.023(g).)

11 Sec. 9501.102. AUTHORITY TO CONTRACT. The commission may  
12 enter into a contract relating to the performance of any function  
13 described by Section 421.002, Local Government Code. (Loc. Gov.  
14 Code, Sec. 421.023(e).)

15 Sec. 9501.103. PURCHASING AND CONTRACTING. The commission,  
16 in the performance of functions under this chapter, has the same  
17 powers granted to a county under Subchapter C, Chapter 262, and  
18 Chapter 271, Local Government Code, and is subject to the same  
19 requirements imposed on a county under those provisions. (Loc.  
20 Gov. Code, Sec. 421.025.)

21 Sec. 9501.104. ANNUAL REPORT REQUIRED. The commission  
22 shall annually submit a report to the commissioners court and the  
23 governing body of the municipality. The report must:

24 (1) describe the commission's financial condition and  
25 operations during the preceding year;

26 (2) propose a budget for the following year; and

27 (3) describe generally the work proposed for the

1 following year. (Loc. Gov. Code, Sec. 421.023(d).)

2       Sec. 9501.105. CONDEMNATION PROCEEDINGS.       (a)       A  
3 condemnation proceeding brought by the commission must be brought  
4 in the name of the commission and under the direction of the  
5 commission.

6       (b) An appeal from a finding and assessment of damages as  
7 provided by Chapter 21, Property Code, does not suspend work of the  
8 commission. (Loc. Gov. Code, Sec. 421.023(i).)

9       [Sections 9501.106-9501.150 reserved for expansion]

10                   SUBCHAPTER D. FINANCIAL PROVISIONS

11       Sec. 9501.151. AD VALOREM TAX. (a) The commission may  
12 impose an ad valorem tax on real property within the commission's  
13 jurisdiction.

14       (b) The commission shall determine the tax rate, which may  
15 not exceed 10 cents for each \$100 valuation of property.

16       (c) Revenue from the tax may be used only to pay for  
17 functions of the commission. (Loc. Gov. Code, Secs. 421.023(a),  
18 (b), (c).)

19       Sec. 9501.152. ASSESSMENT AND COLLECTION OF TAXES. The  
20 county tax assessor and collector shall assess and collect taxes  
21 imposed by the commission in the manner provided by law for the  
22 assessment and collection of county taxes. (Loc. Gov. Code, Sec.  
23 421.024(a).)

24       Sec. 9501.153. DISBURSEMENT OF FUNDS. The commission may  
25 disburse funds set aside by the commissioners court and the  
26 governing body of the municipality for the performance of the  
27 commission's functions. (Loc. Gov. Code, Sec. 421.023(f).)

1                   [Chapters 9502-11000 reserved for expansion]

2                   SUBTITLE X. DISTRICTS WITH COMBINED POWERS

3       CHAPTER 11001. ROAD DISTRICT AUTHORITY OF BASTROP COUNTY WATER

4                   CONTROL AND IMPROVEMENT DISTRICT NO. 2

5   Sec. 11001.001.   DEFINITIONS

6   Sec. 11001.002.   ROAD DISTRICT POWERS AND DUTIES

7   Sec. 11001.003.   MASTER PLAN APPROVAL AND ADOPTION

8   Sec. 11001.004.   MASTER PLAN CONTENT

9   Sec. 11001.005.   MASTER PLAN IMPLEMENTATION

10   Sec. 11001.006.   MASTER PLAN ANNUAL HEARING

11   Sec. 11001.007.   MONTHLY CHARGES

12   Sec. 11001.008.   CITY OR COUNTY APPROVAL OF PLANS AND

13                   SPECIFICATIONS

14   Sec. 11001.009.   INSPECTIONS, SAMPLING, AND TESTING

15   Sec. 11001.010.   CONVEYANCE OF IMPROVEMENTS

16   Sec. 11001.011.   ADDITIONAL POWERS

17   Sec. 11001.012.   REPORT TO CERTAIN LEGISLATORS

18   Sec. 11001.013.   TERMINATION OF ROAD DISTRICT AUTHORITY;

19                   DISTRIBUTION OF DISTRICT MONEY

20       CHAPTER 11001. ROAD DISTRICT AUTHORITY OF BASTROP COUNTY

21                   WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

22       Sec. 11001.001.   DEFINITIONS. In this chapter:

23                   (1) "Board" means the board of directors of the

24   district.

25                   (2) "District" means the Bastrop County Water Control

26   and Improvement District No. 2. (Acts 75th Leg., R.S., Ch. 47,

27   Secs. 1(1), (4).)

1           Sec. 11001.002. ROAD DISTRICT POWERS AND DUTIES. (a) The  
2 district has all of the rights, powers, privileges, functions,  
3 responsibilities, and duties that general law grants a road  
4 district created under Section 52, Article III, Texas Constitution.

5           (b) The board, within the district's boundaries, may  
6 exercise the powers that the commissioners court of a county may  
7 exercise under Chapter 257, Transportation Code, to the extent that  
8 chapter can be applied.

9           (c) To the extent this chapter conflicts with general law,  
10 this chapter controls. (Acts 75th Leg., R.S., Ch. 47, Sec. 2.)

11           Sec. 11001.003. MASTER PLAN APPROVAL AND  
12 ADOPTION. (a) The district shall adopt a master plan for all road  
13 improvements.

14           (b) The district shall submit the master plan to the  
15 governing bodies of the City of Bastrop and Bastrop County before  
16 the plan is adopted.

17           (c) The district may not adopt the master plan until the  
18 plan is approved by the governing body of:

19                   (1) the City of Bastrop, for improvements to be made in  
20 the city's jurisdiction; and

21                   (2) Bastrop County, for improvements to be made in the  
22 county's jurisdiction.

23           (d) Not later than the 61st day after the date the  
24 applicable governing body receives the master plan, the governing  
25 body shall review the plan and present the district with any  
26 proposed revisions necessary to obtain the governing body's  
27 approval of the plan.

1 (e) The district shall review proposed plan revisions at a  
2 public hearing held for that purpose.

3 (f) The district must adopt the master plan at a public  
4 hearing. (Acts 75th Leg., R.S., Ch. 47, Secs. 3(a) (part), 4.)

5 Sec. 11001.004. MASTER PLAN CONTENT. The master plan must  
6 include:

7 (1) a map of the district boundaries that shows:

8 (A) the proposed improvements; and

9 (B) how the proposed improvements would connect  
10 to other entities' road and drainage systems; and

11 (2) a written plan that contains:

12 (A) general objectives for the proposed  
13 improvements;

14 (B) the sequence of the improvements;

15 (C) the estimated date of completion of each  
16 phase of the proposed improvements;

17 (D) the estimated cost of each phase of the  
18 proposed improvements;

19 (E) an analysis of the district's projected  
20 revenues compared with the projected costs; and

21 (F) a proposed timetable for completion of the  
22 proposed improvements. (Acts 75th Leg., R.S., Ch. 47, Sec. 3(b).)

23 Sec. 11001.005. MASTER PLAN IMPLEMENTATION. The district  
24 shall make all road improvements in accordance with the master  
25 plan. (Acts 75th Leg., R.S., Ch. 47, Sec. 3(a) (part).)

26 Sec. 11001.006. MASTER PLAN ANNUAL HEARING. The district  
27 shall conduct an annual public hearing on revisions to the master



1 plan to inform the public and provide opportunity for public  
2 comment. (Acts 75th Leg., R.S., Ch. 47, Sec. 5.)

3 Sec. 11001.007. MONTHLY CHARGES. (a) The board may  
4 impose a monthly charge of five dollars for each developed or  
5 undeveloped lot, tract, or reserve in the district.

6 (b) Money received from the monthly charge must be used for  
7 constructing, maintaining, or repairing public streets or roadways  
8 in the district.

9 (c) Of the money received under Subsection (a):

10 (1) not more than 10 percent may be used for  
11 administrative purposes; and

12 (2) not more than 15 percent may be used for road  
13 maintenance. (Acts 75th Leg., R.S., Ch. 47, Sec. 6.)

14 Sec. 11001.008. CITY OR COUNTY APPROVAL OF PLANS AND  
15 SPECIFICATIONS. (a) The district shall submit for the approval  
16 of the governing body of the City of Bastrop or Bastrop County, as  
17 appropriate, all road plans and specifications before the district  
18 begins construction.

19 (b) The plans and specifications are considered approved if  
20 the governing body to which they are presented does not by  
21 resolution disapprove of them before the 22nd day after the date on  
22 which they are presented.

23 (c) In reviewing plans or specifications for construction  
24 in a subdivision, the City of Bastrop or Bastrop County shall  
25 generally apply, as a minimum standard, the standard the city or  
26 county applied to review similar plans or specifications at the  
27 time the subdivision was created. If the plans or specifications

1 exceed that minimum standard, the standard for approval shall be  
2 based on good engineering practices related to subjects such as  
3 vehicle and pedestrian safety, soil and terrain variables,  
4 watershed impacts, projected traffic use, and future maintenance  
5 requirements. (Acts 75th Leg., R.S., Ch. 47, Sec. 8.)

6 Sec. 11001.009. INSPECTIONS, SAMPLING, AND TESTING.

7 (a) The City of Bastrop or Bastrop County may:

8 (1) perform reasonable inspections, gather and test  
9 samples, and perform other testing; or

10 (2) require the district or the contractor for the  
11 work to perform reasonable inspections, gather and test samples,  
12 and perform other testing.

13 (b) The district may include the cost of inspecting,  
14 sampling, and testing in the bid specifications. If the district  
15 includes the costs in the bid specifications, the costs are  
16 allowable charges for spending road money. (Acts 75th Leg., R.S.,  
17 Ch. 47, Sec. 9.)

18 Sec. 11001.010. CONVEYANCE OF IMPROVEMENTS. (a) The  
19 district shall convey the completed improvements to the City of  
20 Bastrop or Bastrop County as appropriate.

21 (b) If the improvements comply with the minimum standards  
22 the city or county, as applicable, prescribes for improvements in  
23 its jurisdiction, the city or county shall accept the improvements.

24 (c) If the jurisdictions of the city and the county overlap,  
25 the more stringent standards apply. (Acts 75th Leg., R.S., Ch. 47,  
26 Sec. 10.)

27 Sec. 11001.011. ADDITIONAL POWERS. The district may:

- 1           (1) select professional and consultant personnel for
- 2 engineering, legal, and other necessary support services;
- 3           (2) select and approve work contractors and
- 4 subcontractors;
- 5           (3) supervise road and drainage work in the district;
- 6           (4) contract to carry out the improvements provided by
- 7 the master plan, including contracting with a professional or
- 8 contractor;
- 9           (5) supervise the cost-effective use of district money
- 10 allocated for permanent improvements; and
- 11           (6) approve expenditures for necessary maintenance.
- 12 (Acts 75th Leg., R.S., Ch. 47, Sec. 11.)

13       Sec. 11001.012. REPORT TO CERTAIN LEGISLATORS.       The

14 district annually shall present a report concerning road district

15 activities to each state representative and each state senator who

16 represents the area in the district's jurisdiction. The report

17 must include:

- 18           (1) information regarding the progress of work during
- 19 the preceding year;
- 20           (2) the amount of money spent during the preceding
- 21 year;
- 22           (3) any revisions to the master plan; and
- 23           (4) a complete financial statement that lists all
- 24 funds of the district and fund balances, expenditures, and interest
- 25 earnings. (Acts 75th Leg., R.S., Ch. 47, Sec. 12.)

26       Sec. 11001.013. TERMINATION OF ROAD DISTRICT AUTHORITY;

27 DISTRIBUTION OF DISTRICT MONEY. (a) The road district authority

1 under this chapter terminates when:

2 (1) all road improvements under the master plan are  
3 completed; and

4 (2) the City of Bastrop or Bastrop County, as  
5 appropriate, has accepted all road improvements in the district.

6 (b) On termination of the district's road district  
7 authority, the district shall give any money related to the  
8 district's road district authority that remains in the district's  
9 possession or control to the City of Bastrop or Bastrop County, as  
10 appropriate, for road maintenance in the district. The district  
11 shall send the money to the City of Bastrop or Bastrop County in the  
12 proportion that the number of miles of road improvements by the  
13 district accepted by the city or county bears to the total number of  
14 miles of road improvements by the district accepted by both the city  
15 and the county. (Acts 75th Leg., R.S., Ch. 47, Sec. 13.)

16 SECTION 2. CONFORMING AMENDMENT. Section 1, Chapter 120,  
17 Acts of the 60th Legislature, Regular Session, 1967, is amended to  
18 read as follows:

19 Sec. 1. The ~~[Pursuant to authority granted by the~~  
20 ~~provisions of Section 9 of Article IX of the Constitution of the~~  
21 ~~State of Texas,~~] Angleton-Danbury Hospital District of Brazoria  
22 County, Texas, ~~[is hereby authorized to be created in Brazoria~~  
23 ~~County, Texas, and as created]~~ shall have the following boundaries:

24 BEGINNING at the southeasterly corner of the I. F. W. Curd  
25 Survey, Abstract 170, on the westerly shore line of West Bay at mean  
26 low tide;

27 THENCE southwesterly along the most southerly boundary line

1 of said Curd Survey to its intersection with the northerly shore  
2 line of Bastrop Bay;

3       THENCE in a westerly direction along the shore lines of  
4 Bastrop Bay, Cox's Lake and Bastrop Bayou and along the southerly  
5 boundary line of said I. F. W. Curd Survey, the G. B. Brownrigg  
6 Survey, Abstract 150, the J. J. Calvington Survey, Abstract 427,  
7 the Juan Armendaris Survey, Abstract 405, and the F. Spann Survey,  
8 Abstract 373, to a point where an extension of the northwesterly  
9 boundary line of the B. F. Holt Survey, Abstract 592, would  
10 intersect the north bank of said bayou;

11       THENCE across Bastrop Bayou to the most northwesterly corner  
12 of said B. F. Holt Survey;

13       THENCE in a southerly direction along the western boundary  
14 line of said Holt Survey, the F. Pawpa Survey, Abstract 443, and the  
15 E. J. DeBard Survey, Abstract 673, to Big Slough;

16       THENCE up Big Slough with its meanders to a point in the west  
17 boundary line of the Austin & Williams Survey, Abstract 145;

18       THENCE west to a point in the southeast right-of-way line of  
19 the H. & B. V. Railway right-of-way in the J. E. Groce 5-League  
20 Grant, Abstract 66;

21       THENCE in a northeasterly direction along the southeast line  
22 of said railway right-of-way to Bastrop Bayou and continuing on the  
23 same course across said bayou to its northeasterly shore line at  
24 mean low tide;

25       THENCE northwesterly across said right-of-way to its  
26 northwesterly line on the shore of said bayou;

27       THENCE southwesterly crossing said bayou and following the

1 northwest right-of-way line of the said railway to the center of  
2 Oyster Creek;

3       THENCE up the center of Oyster Creek to a point which is due  
4 south of the southwest corner of the S. F. Austin Survey, Abstract  
5 22;

6       THENCE in a northerly direction to the Southwestern corner of  
7 S. F. Austin Survey, Abstract 22, and continuing in a northerly  
8 direction with the west boundary line of said Austin Survey and the  
9 east boundary of the J. E. Groce 5-League Grant to its intersection  
10 with the center of Bastrop Bayou;

11       THENCE up the center of Bastrop Bayou with its meanders  
12 crossing State Hwy. No. 288 and the H. and B. V. Railroad to a point  
13 for corner being an extension of the division line of J. T. Suggs  
14 398.14 acre tract and W. T. Galloway 280.66 acre tract;

15       THENCE West passing a concrete monument on the bank of  
16 Bastrop Bayou to a concrete monument on the Northwest corner of said  
17 398.14 acre tract and the Southwest corner of said 280.66 acre tract  
18 and in the East line of C. M. and Elane S. Frost 100 acre tract;

19       THENCE North along West line of W. T. Galloway's 280.66 acre  
20 tract and the East line of C. M. and Elane S. Frost 100 acre tract,  
21 the Marmion Estate 100 acre tract and William Franklin and DeWitt C.  
22 Baker, Jr., 57.4 acre tract to the center of Bastrop Bayou;

23       THENCE up the center line of Bastrop Bayou to a point in the  
24 East line of J. T. Suggs 450 acre tract;

25       THENCE North along the East line of J. T. Suggs 450 acre tract  
26 and the West line of 128.55 acre tract to the Southeast corner of H.  
27 E. Merchant 244 acre tract;

1           THENCE West along the South line of H. E. Merchant 244 acre  
2 tract and The Texas Company's 300 acre tract to the Southwest corner  
3 of said 300 acre Texas Company tract and in the East line of The  
4 Retrieve Prison Farm 2405.27 acre tract;

5           THENCE North along the East line of said Prison Farm 2405.27  
6 acre tract and the West line of said 300 acre Texas Company tract to  
7 the N. W. corner of the 300 acre tract of the North line of the J. E.  
8 Groce 5-League Grant;

9           THENCE West with the North line of said J. E. Groce 5-League  
10 Grant to its Northwest corner and continuing West with the North  
11 line of the S. F. Austin 5-League Grant, Abstract No. 19 to its  
12 point of intersection with the center of Oyster Creek;

13           THENCE downstream with the center of Oyster Creek and its  
14 meanders to the point where the center of Oyster Creek crosses the  
15 common boundary line of the S. F. Austin and J. E. Groce Surveys for  
16 the fourth time, in the Retrieve State Prison Farm;

17           THENCE in a Northwesterly direction in a straight line to the  
18 Northeast corner of the Dow Chemical Company's 3,586.32 acre tract  
19 in said S. F. Austin 5-League Grant which is also an ell corner of  
20 said Retrieve State Prison Farm;

21           THENCE South with the common line between the Prison Farm and  
22 the Dow 3,586.32 acre tract to a point in such line which is due East  
23 from a point in the center of the Brazoria Reservoir Levee which  
24 said last named point is 200 feet North of the point of intersection  
25 of the center of said levee with the center line of Buffalo Camp  
26 Bayou;

27           THENCE from said point in the Dow & Prison Farm common

1 boundary, due West to the point in the center of the Brazoria  
2 Reservoir Levee;

3       THENCE Southerly with the center line of said Levee to the  
4 Center of Buffalo Camp Bayou, approximately 200 feet;

5       THENCE up the center of Buffalo Camp Bayou to a point due east  
6 of the south line of the John P. Cole Survey, Abstract 55;

7       THENCE west to the southeast corner of said John P. Cole  
8 Survey;

9       THENCE west along the south line of said John P. Cole Survey  
10 to the center of Middle Bayou;

11       THENCE up the center of Middle Bayou with its meanders to a  
12 point where the center line of said Bayou intersects the south line  
13 of the Samuel Carter League, Abstract 53;

14       THENCE in an easterly direction along the south boundary line  
15 of said Carter League to its southeast corner;

16       THENCE in a northerly direction along its eastern boundary  
17 line to its northeast corner;

18       THENCE in a westerly direction along its northern boundary  
19 line to the southeast corner of the J. B. Bailey League, Abstract  
20 38;

21       THENCE in a Northerly direction along the eastern boundary  
22 line of said J. B. Bailey League and continuing past its northeast  
23 corner on the same course to the middle line of the William Roberts  
24 League, Abstract 124;

25       THENCE west along the north line of the lower half of the  
26 William Roberts League and continuing on the same course to the  
27 center of the Brazos River;



1           THENCE up the center of the Brazos River with its meanders to  
2 a point in the said river due west of the northwest corner of the  
3 Francis Bingham League; Abstract 43;

4           THENCE east to the northwest corner of said Bingham League  
5 and continuing along the northern boundary line of said league to  
6 its northeast corner;

7           THENCE in a southerly direction along the eastern boundary  
8 line of said Bingham League and the A. McFarland League, Abstract  
9 86, to its southeast corner;

10          THENCE southerly on the same course across the David Tally  
11 League, Abstract 130, and the Chester S. Gorbett League, Abstract  
12 64, to the northwest corner of the Lavaca Navigation Company  
13 Survey, Abstract 327;

14          THENCE in a southerly direction along the western boundary  
15 line of said Lavaca Navigation Company Survey, to its southwest  
16 corner;

17          THENCE in an easterly direction along the southern boundary  
18 line of said Lavaca Navigation Company Surveys, Abstracts 327 and  
19 536, to the most southeasterly corner thereof, same being the  
20 northeast corner of H. T. & B. Survey, Abstract 535;

21          THENCE in a southerly direction along the western boundary  
22 line of H. T. & B. Survey, Abstract 236, to the southwest corner of  
23 H. T. & B. Survey, Abstract 236;

24          THENCE in an easterly direction along the southern boundary  
25 lines of H. T. & B. Surveys, Abstracts 236, 555, 253, 556 and 254,  
26 and continuing on the same course to the southerwestern boundary  
27 line of the Francis Moore League, Abstract 100;

1           THENCE in a southeasterly direction along the southwestern  
2 boundary line of said Francis Moore League to its most southwestern  
3 corner in the northwesterly boundary line of the S. T. Angier  
4 League, Abstract 7;

5           THENCE in a southwesterly direction along the northwestern  
6 boundary line of said Angier League to its most northwesterly  
7 corner;

8           THENCE in a southeasterly direction along its southwesterly  
9 boundary line to the southwest corner thereof;

10          THENCE in an easterly direction along its southeastern  
11 boundary line to the northwestern corner of H. T. & B. Survey,  
12 Abstract 277;

13          THENCE in a southeasterly direction along the southwestern  
14 boundary line of said H. T. & B. Survey 277 to its most  
15 southwesterly corner and continuing in the same direction along the  
16 southwestern boundary line of H. T. & B. Survey, Abstract 519, to  
17 the most northwesterly corner of H. T. & B. Survey, Abstract 520;

18          THENCE in a northeasterly direction along the northwesterly  
19 boundary line of H. T. & B. Survey, Abstract 520, H. T. & B. Survey,  
20 Abstract 260, and continuing on the same course across the Day Land  
21 & Cattle Company Survey, Abstract 603, to a point for corner in its  
22 northeasterly boundary line;

23          THENCE in a southeasterly direction along its northeasterly  
24 boundary line to its most southeasterly corner and continuing on  
25 the same course along the boundary line of the Day Land & Cattle  
26 Company Survey, Abstract 601, to the north boundary line of the L.  
27 F. Tomlinson Survey, Abstract 374;

1           THENCE in a southwesterly direction along said boundary line  
2 to the northwest corner of the Arrington 75 acre tract;

3           THENCE in a southeasterly direction along the southwestern  
4 boundary line of said Arrington tract to its most southwestern  
5 corner;

6           THENCE in a southwesterly direction along the north boundary  
7 line of Lot 2 in Block 4 in said Tomlinson Survey to the most  
8 northwesterly corner of said lot;

9           THENCE in a southeasterly direction along the southwestern  
10 boundary line of said Lot 2 to its most southwesterly corner;

11          THENCE in a southwesterly direction along the southern  
12 boundary line of Lot 3 in Block 4 of a subdivision in said Tomlinson  
13 Survey to the northeast corner of a 291 acre tract known as the  
14 Kempner and Davis Tract in Block 5;

15          THENCE in a southeasterly direction along the eastern  
16 boundary line of said Kempner and Davis tract to its most  
17 southeastern corner and the north line of the L. A. Morton League,  
18 Abstract 101;

19          THENCE in a southeasterly direction across said Morton League  
20 to the Northwest corner of Lot 1 of the Coast Development Company  
21 Subdivision in the H. Austin League, Abstract 11;

22          THENCE in a southeasterly direction along the western  
23 boundary line of Lots 1, 2, 3, 4, 27, 28, 29 and 30 of said Coast  
24 Development Company Subdivision to a point for corner;

25          THENCE in an easterly direction along the southeastern  
26 boundary line of Lots 30 and 31 to the northwest corner of the G. J.  
27 Swickheimer 160 acre tract;

1           THENCE in a southeasterly direction along the southwestern  
2 boundary line of said G. J. Swickheimer tract to its most  
3 southwesterly corner;

4           THENCE along the southeastern boundary line of said tract to  
5 its most southeasterly corner;

6           THENCE in a northeasterly direction to the southwestern  
7 corner of Lot 9 of the J. H. Everett Subdivision in said Austin  
8 League;

9           THENCE in a northeasterly direction along the southeastern  
10 boundary line of said Everett Subdivision and the Coast Development  
11 Company Subdivision to the west bank of Chocolate Bayou;

12           THENCE in a generally southwesterly direction with the  
13 meanders of said west bank of Chocolate Bayou and with the westerly  
14 shore line of West Bay at mean low tide to the southeasterly corner  
15 of the I. F. W. Curd Survey, Abstract 170, the PLACE OF BEGINNING.

16 ~~[The Legislature hereby finds that the foregoing boundaries and~~  
17 ~~field notes of said District form a closure, and, if any mistake is~~  
18 ~~made in copying the field notes in the legislative process, such~~  
19 ~~mistake shall not affect the organization, existence or validity of~~  
20 ~~the District or its right to issue bonds or refunding bonds, and the~~  
21 ~~right to assess, levy and collect taxes, or in any other manner~~  
22 ~~affect the legality or operation of the District.]~~

23           SECTION 3. CONFORMING AMENDMENT. Section 1, Chapter 411,  
24 Acts of the 58th Legislature, Regular Session, 1963, is amended to  
25 read as follows:

26           Sec. 1. The boundaries ~~[Pursuant to the provisions of~~  
27 ~~Section 9 of Article IX of the Constitution of the State of Texas,~~

1 ~~this Act shall be operative so as to authorize the creation,~~  
2 ~~establishment, maintenance, and operation]~~ of the Booker Hospital  
3 District[, ~~the boundaries of which]~~ are described as follows, to  
4 wit:

5 BEGINNING at the Northwest corner of Lipscomb County where  
6 county boundary lines between Ochiltree County and Lipscomb County  
7 intersect the state boundary line between Texas and Oklahoma, and  
8 running due south along said county line to the Southwest corner of  
9 Lipscomb County;

10 THENCE East along the county boundary line between Lipscomb  
11 County and Hemphill County to its intersection with the eastern  
12 boundary line of Section 66 of Block 43 of the Houston and Texas  
13 Central R. R. Survey;

14 THENCE Northerly along the eastern boundaries of Sections 66,  
15 111, 154, 199, 242, 287, 330, 375, 418, 463, 506, 551, 594, 639,  
16 682, 727, 770, 815, 858, 903, 946, 991, 1034, 1079, 1122, and 1167  
17 of Block 43 of the Houston and Texas Central R. R. Survey to the  
18 point of intersection of the eastern boundary of said Section 1167  
19 with the south boundary of Section 155 of Block 10 of the Southern  
20 Pacific R. R. Survey;

21 THENCE West along the South boundary of Section 155 of Block  
22 10 of the Southern Pacific R. R. Survey to its point of intersection  
23 with the east boundary of Section 154 of said survey;

24 THENCE North along the east boundary of said Section 154 and  
25 continuing north along the east boundaries of Sections 111, 66 and  
26 23 of Block 10 of the Houston Tap and Brazoria R. R. Survey to the  
27 point of the intersection of that line with the Southern boundary of

1 the W. P. Wiser Survey.

2       THENCE continuing north along the projection of the east  
3 boundary line of Section 23 of Block 10 of the Houston Tap and  
4 Brazoria R. R. Survey to the state boundary line.

5       THENCE West along the state boundary line between Texas and  
6 Oklahoma to the point of beginning.

7       SECTION 4. CONFORMING AMENDMENT. Section 3, Chapter 183,  
8 Acts of the 56th Legislature, Regular Session, 1959 (Article  
9 8280-222, Vernon's Texas Civil Statutes), is amended to read as  
10 follows:

11       Sec. 3. TERRITORY       COMPRISING       THE       DISTRICT. The  
12 Aguilla-Hackberry Creek Conservation District [~~hereby created and~~  
13 ~~established~~], situated wholly within Hill and McLennan Counties,  
14 shall comprise all territory located within the boundaries  
15 described as follows, except lands situated within the limits of  
16 incorporated cities, or towns, of Abbott, Hillsboro, Itasca, and  
17 West, Texas:

18       BEGINNING at the point of intersection of the Hill-Johnson  
19 County line and the East line of 113.2 acre tract in the Mary  
20 Carothers Survey, A-114, Hill County, Texas, owned by John D.  
21 Harper et al.

22       THENCE S. 30 E. with said Harpers east line 2500 feet, to the  
23 South line of a County road;

24       THENCE N. 60 E. with said road line 3125 feet to point in East  
25 line of said Carothers Survey;

26       THENCE S. 30 E. with said survey line 4250 feet to its S.E.  
27 corner;

1           THENCE S. 60 W. with South line of said survey 500 feet to  
2 N.E. corner of Lewis A. Reynold Survey, A-752;

3           THENCE S. 30 E. at 11,750 feet pass the S.E. corner of said  
4 Reynolds Survey, at 17,625 feet pass the S.W. corner of John Clary  
5 Survey, A-118, in all 22,700 feet to S.W. corner of Smith Newton  
6 Survey, A-690, which point is in the North line of a public road;

7           THENCE N. 60 E. with South line of said Newton Survey 10,750  
8 feet to its S.E. corner of said corner being also in West line of  
9 McKinney & Williams Survey, A-665;

10          THENCE S. 30 E. with said west line 2750 feet to S.W. corner  
11 of said survey;

12          THENCE N. 60 E. 1150 feet to a point in said south survey  
13 line, said point also being the N.E. corner of Sterling R. Barnes  
14 Survey A-74;

15          THENCE S. 30 E. 2650 feet to a point in East line of said  
16 Barnes Survey, said point being the S.W. corner of a 63.65 acre  
17 tract in M. L. Barnes Survey, A-73, once owned by C. B. Hill;

18          THENCE N. 60 E. 2800 feet with the south lines of Hills 63.65  
19 acre tract and 58.8 acre tract to S.E. corner of the latter in the  
20 East line of said M. L. Barnes Survey;

21          THENCE S. 30 E. 500 feet to the N.W. corner of Don Herlin's  
22 100 acre tract in the Henry Sikes Survey, A-817;

23          THENCE N. 60 E. with said Herlins North line 3925 feet to his  
24 N.E. corner in the East line of said survey;

25          THENCE S. 30 E. with East line of said Survey 3300 feet to its  
26 S.E. corner, being also the N.W. corner of J. P. Rushing Survey,  
27 A-785, continuing same course with west line of last named Survey

1 5280 feet or 8580 feet in all to its S.W. corner in North line of a  
2 Public road;

3       THENCE N. 60 E. with said North line of road 10,050 feet to  
4 N.E. corner of J. A. England's 109 acre tract in J. P. Rushing  
5 Survey, A-786, said corner being in North line of said survey;

6       THENCE S. 30 E. with England's east line 2950 feet to his S.E.  
7 corner in South line of said survey, being also the most easterly  
8 N.E. corner of B. B. B. & C. R. R. Co. Survey, A-105;

9       THENCE S. 30 E. with East line of said Survey 3050 feet to an  
10 outside ell corner of same;

11       THENCE S. 60 W. 850 feet to an inside ell corner of said  
12 survey;

13       THENCE S. 30 E. at 690 feet pass the most southerly S.E.  
14 corner of said survey, continuing same course in all 1775 feet to an  
15 inside ell corner of Geo. McDaniel Survey, A-633;

16       THENCE S. 60 W. 260 feet to the most westerly N.W. corner of  
17 said survey;

18       THENCE S. 30 E. 1650 feet to S.W. corner of survey;

19       THENCE N. 60 E. 600 feet to point in South line of said survey  
20 and also the south line of 110.5 acre tract owned by Mrs. Estelle  
21 Adair, said point being the N.W. corner of Wm. McDonald Survey,  
22 A-568;

23       THENCE S. 30 E. with West line of said survey and East line of  
24 public road; at 1100 feet pass the most westerly S.W. corner of said  
25 survey, at 1650 feet pass an inside ell corner of Sarah A. Cook  
26 Survey, A-1043, and in all 4100 feet to an outside ell corner of  
27 said survey;



1           THENCE N. 60 E. 1600 feet to an inside ell corner of said  
2 survey, being also the N.W. corner of Chas. M. Smithdeal's 109 acre  
3 tract in said survey;

4           THENCE S. 30 E. with Smithdeal's west line 4100 feet to a  
5 point in the North line of W. O. Merriweather Survey, A-564;

6           THENCE N. 80 E. with said North line 1,000 feet to N.E. corner  
7 of survey;

8           THENCE S. 10 E. with east line of said survey 10,900 feet to  
9 its S.E. corner;

10          THENCE S. 80 W. 2,300 feet with south line of said survey and  
11 North line of Wm. Armstrong Survey, A-23, to N.W. corner of 105 acre  
12 tract in latter named survey owned by W. B. Overman, et al;

13          THENCE S. 30 E. with the west line of the said Overman tract  
14 and the Mrs. Dora Kyle Estate 90.45 acre tract 3,450 feet to the  
15 S.W. corner of the latter in the South line of said survey;

16          THENCE N. 60 E. with said South line 400 feet to a point  
17 thereon which is the N.W. corner of the James J. Lee Survey, A-543;

18          THENCE S. 30 E. with the Survey's west line and the East line  
19 of a public road at 4,700 feet pass the survey's S.W. corner at  
20 5,650 feet pass the North line of Navarro County School Land Survey,  
21 A-675, and in all 5,900 feet to the North line of the Old Dallas  
22 Highway;

23          THENCE S. 60 W. with said North line of Highway 2100 feet to  
24 point in survey's west line;

25          THENCE S. 30 E. with said west line 3600 feet to a point  
26 thereon, which is also the N.E. corner of Polly Meeks Survey, A-639;

27          THENCE S. 60 W. with North line of said survey and North line

1 of public road 5,280 feet to point in same;

2       THENCE with west line of public road S. 30 E. 3,670 feet; S.

3 15 W. 280 feet and S. 30 E. 4,500 feet to the most southerly North

4 line of A. Morrow Survey, A-580;

5       THENCE S. 60 W. 700 feet with said line to the most westerly

6 N.W. corner of said survey;

7       THENCE S. 30 E. 1580 feet with West line of said Morrow Survey

8 and West line of W. W. Hobson Survey, A-429, to a point in the North

9 line of State Highway No. 22;

10       THENCE S. 60 W. with said North line 3,250 feet to point in

11 East line of John A. Harlan Survey, A-397;

12       THENCE S. 30 E. with said survey, East line and the East line

13 of a public road 27,100 feet to the S.E. corner of George Wilkins

14 Survey, A-965;

15       THENCE With South line of said survey S. 60 W. 5,575 feet to

16 S.W. corner of survey;

17       THENCE with south line of Ephraim Goss Survey, A-346, S. 60 W.

18 1,200 feet; N. 30 W. 350 feet; and S. 60 W. at 2,800 feet, pass S.W.

19 corner of said survey and in all 2,900 feet to an outside ell corner

20 of Simon Jones Survey, A-482;

21       THENCE S. 30 E. 1,050 feet to an inside ell corner of said

22 survey; S. 60 W. 950 feet to an outside ell corner of said survey; S.

23 30 E. 1,500 feet to an inside ell corner of said survey; S. 60 W. 225

24 feet to an outside ell corner of said survey; and S. 30 E. 1,100 feet

25 to survey's S.W. corner, said point being in North line of Thomas

26 Graham Survey, A-341;

27       THENCE S. 60 W. with said North line of survey and North line

1 of Ennis Smith's tract in E. Cameron Survey, A-130, 2,550 feet to an  
2 inside ell corner of said Smith tract;

3 THENCE N. 30 W. with Smith's east line 850 feet to the S.E.  
4 corner of Abner Lee Survey, A-532;

5 THENCE S. 60 W. with said survey's South line 1,425 feet to a  
6 point thereon, said point also being in the East line of a public  
7 road;

8 THENCE S. 30 E. with said line of road 6,030 feet to a point in  
9 North line of John Mills Survey, A-620, and said point also being in  
10 the North line of a public road;

11 THENCE S. 60 W. with said line 5,325 feet to a point in East  
12 line of Robert F. Norvell Survey, A-687;

13 THENCE S. with said survey line 4,000 feet to S.E. corner of  
14 survey and N.E. corner of Robert F. Norvell Survey, A-688;

15 THENCE W. with said Common survey line 3,151 feet to a point  
16 in the West right-of-way line of M. K. & T. R. R. Co.;

17 THENCE with said right-of-way line as follows: S. 10 E. 1,570  
18 feet; S. 7,500 feet; and S. 13 W. 10,738 feet to its intersection  
19 with the Hill-McLennan County line; Continuing the same course for  
20 22,940 or 33,678 feet in all to a point on the South line of M.  
21 Jewett Survey, A-517;

22 THENCE S. 60 W. with the South lines of said survey, B. B.  
23 Ingraham Survey, A-1126, J. M. Marek 89.5 acre tract in J. Moreno  
24 Survey, A-26 and Andrew N. Halbert 80 acre tract in same survey  
25 9,100 feet to S.W. corner of Charles J. Holy 167.2 acre tract in  
26 same survey;

27 THENCE N. 30 W. 100 feet to S.E. corner of Mary Catherine

1 Demars' 80 acre tract in said survey;  
2       THENCE S. 60 W. with her South line and the South lines of D.  
3 C. Mosely 80 acre tract, Albin Pavlas 84 acre tract, Joseph L.  
4 Melansky, 58.559 acre tract, W. C. Cox 10 acre tract (all in said  
5 Moreno Survey), and Wm. Carmichael Survey, A-273, 8,500 feet to a  
6 point in East line of T. H. Brennan Survey;  
7       THENCE S. 30 E. with said E. line 2,600 feet to survey S.E.  
8 corner;  
9       THENCE S. 60 W. 4,200 feet to point on South survey line;  
10       THENCE S. 30 E. 1,620 feet to S.E. corner of W. M. Haney's 7.5  
11 acre tract in N. H. Hobbs Survey, A-428;  
12       THENCE S. 60 W. 518 feet to his S.W. corner, being in the East  
13 line of a public road;  
14       THENCE with said East road line S. 1 W. 1,900 feet to a point  
15 in survey's South line;  
16       THENCE N. 60 E. 775 feet to N.W. corner W. W. Kattner 118.6  
17 acre tract in R. P. Shepherd Survey, A-1145;  
18       THENCE S. 30 E. with Shepherd's West line, at 630 feet the  
19 N.E. corner Samuel Gholson Survey, A-18, continuing same course  
20 with East line of survey 7,800 feet to its S.E. corner;  
21       THENCE S. 60 W. with South line of survey 3,220 feet to point  
22 in West line of public road;  
23       THENCE with said line of said road as follows: S. 37 E. 2,825  
24 feet; S. 18 E. 2,500 feet; S. 8 W. 1,525 feet; S. 18 E. 1,240 feet;  
25 S. 60 W. 645 feet; S. 7 W. 3,700 feet; S. 23 W. 780 feet; S. 2 E. 540  
26 feet; and S. 8 W. 2,970 feet to a point in East line of Waco-Gholson  
27 road;

1           THENCE S. 20 E. with said line 400 feet to point in South line  
2 of Joseph Rutherford Survey, A-34;

3           THENCE S. 60 W. 6,640 feet to a point on East bank of Brazos  
4 River;

5           THENCE in a general direction of N. 60 W. with the meanders of  
6 the East bank of the Brazos River 20,900 feet to a point in said bank  
7 being the N.W. corner of Martin G. McCartney's 93.53 acre tract in  
8 Samuel Gholson Survey, A-18;

9           THENCE N. 60 E. 1,620 feet to S.E. corner of B. L. Eastwood's  
10 86 acre tract in said survey;

11           THENCE N. 30 W. with East lines of Eastwood tract and M. G.  
12 Lightfoot tract 3,540 feet to a point in North line of said Gholson  
13 survey, said point being in West line of a public road;

14           THENCE N. 30 W. with said West line of said road 4,435 feet to  
15 its intersection with South line of A. Estes Survey, A-335;

16           THENCE S. 60 W. with said South line 2,150 feet to S.W. corner  
17 of said survey;

18           THENCE N. 30 W. 4,040 feet to N.W. corner of survey, said  
19 corner being in the south line of Mary Ware Survey, A-1056;

20           THENCE S. 60 W. with said line 1,010 feet to S.W. corner of  
21 John H. McCartney 100 acre tract in said survey;

22           THENCE N. 30 W. 3,020 feet to point in South line of Frank T.  
23 Allen 90.4 acre tract;

24           THENCE S. 60 W. 240 feet to his S.W. corner;

25           THENCE N. 30 W. 4070 feet to point in North line of said Ware  
26 Survey;

27           THENCE S. 60 W. 800 feet to S.W. corner of C. Carley 110 acre

1 tract in Lemuel Rice Survey, A-1054;  
2       THENCE N. 30 W. 1625 feet to his N.W. corner;  
3       THENCE S. 60 W. 360 feet to an inside ell corner of P. A.  
4 Fuston 128 acre tract in said survey;  
5       THENCE N. 30 W. 3670 feet to N.W. corner of Julia M. Clark 50  
6 acre tract of said survey;  
7       THENCE N. 60 E. 1425 feet to S.W. corner of Esther Powell 51  
8 acre tract in said survey;  
9       THENCE N. 30 W. 1735 feet to point in Hill-McLennan County  
10 line, being the N.W. corner of said Powell tract;  
11       THENCE N. 60 E. 1300 feet to point in said County Line, being  
12 in the East line of a public road and in South line of Wm. H. Smith  
13 Survey, A-864;  
14       THENCE N. 30 W. with said road line 2750 feet to its  
15 intersection with North line of said survey and continuing with  
16 said line N. 33 W. 2550 feet to its intersection with North line of  
17 Geo. W. Hill Survey, A-370;  
18       THENCE N. 60 E. with said line 1200 feet to S.W. corner of  
19 Philip Hardwick Survey, A-372;  
20       THENCE N. 30 W. with West line of said survey 1725 feet to  
21 inside ell corner of survey and also S.W. corner of J. E. Johnson 41  
22 acre tract in same;  
23       THENCE N. 60 E. 2150 feet to Johnson's S.E. corner and inside  
24 ell corner in East Survey line;  
25       THENCE N. 30 W. with said line 4225 feet to N.W. corner of  
26 survey, which point is the south line of John Saffel Survey, A-982;  
27       THENCE N. 60 E. 3275 feet to a point in said Saffel survey

1 line, and being the S.E. corner of C. R. Wright's 107.5 acre tract  
2 in said survey;

3       THENCE N. 30 W. with Wright's East line 2800 to his N.E.  
4 corner in North survey line;

5       THENCE N. 60 E. with said survey line 2200 feet to an inside  
6 ell corner of said survey;

7       THENCE N. 30 W. 4300 feet to N.W. corner of said survey;

8       THENCE N. 60 E. 6800 feet to point in Saffel N. line and being  
9 S.W. corner of E. E. Ussery's 100 acre tract in Wm. Brooks Survey,  
10 A-1;

11       THENCE N. 30 W. 7175 feet to N.W. corner of Ussery's 179.6  
12 acre tract in North survey line;

13       THENCE N. 60 E. 10,350 feet to a point in East line of public  
14 road at its intersection with common line between said Brooks  
15 Survey and James S. Dallas Survey, A-210, and said point being the  
16 S.W. corner of Klement Svreck's 92.35 acre tract out of said Dallas  
17 Survey;

18       THENCE N. 38 W. with said East road line 13,700 feet to the  
19 south line of Sterling C. Robertson Survey, A-8;

20       THENCE N. 60 E. 1200 feet to S. E. corner of survey;

21       THENCE N. 30 W. 6900 feet to survey N.E. corner;

22       THENCE S. 60 W. 2570 feet to point on survey's North line and  
23 being S.E. corner of Francisco Baldez Survey, A-31;

24       THENCE N. 30 W. with Baldez's East line and the East line of  
25 public road 10,750 feet to corner in South line of public road;

26       THENCE N. 60 E. with south line of said road 3820 feet to  
27 corner in East line of public road;

1           THENCE with said East line of road N. 28 W. 9750 feet; N. 49 W.  
2   1400 feet; and N. 51°; W. 3475 feet to point in North line of State  
3   Highway No. 22, which point is also in South line of Mary Beacham  
4   Survey, A-26;  
5           THENCE N. 60 E. 2385 feet to S.E. corner of said survey;  
6           THENCE N. 30 W. 16,000 feet to N.W. corner R. Irvin Survey,  
7   A-461;  
8           THENCE N. 60 E. 2750 feet to its N.E. corner;  
9           THENCE N. 30 W. 8800 feet to N.E. corner Rutgersville College  
10   Survey;  
11          THENCE N. 60 E. 650 feet to an inside ell corner of P. J.  
12   George Survey, A-329;  
13          THENCE N. 30 W. 10,250 feet to N.W. corner of W. M. McDonald  
14   Survey, A-566;  
15          THENCE N. 60 E. 2350 feet to its N.E. corner;  
16          THENCE N. 30 W. 3550 feet to N.W. corner James R. Rattekin  
17   Survey, A-782;  
18          THENCE N. 60 E. 3650 feet to S.W. corner James McDonald  
19   Survey, A-650;  
20          THENCE N. 30 W. 10,500 feet to N.W. corner of Samuel Ralph  
21   Survey, A-798;  
22          THENCE N. 60 E. 5200 feet to its N.E. corner;  
23          THENCE N. 30 W. 4850 feet to S.W. corner Richard Hope Survey,  
24   A-432;  
25          THENCE N. 60 E. 5200 feet to its S.E. corner;  
26          THENCE N. 30 W. 2,150 feet to S.W. corner W. C. Weatherred  
27   Survey, A-932;



1           THENCE N. 60 E. 7,700 feet to its S.E. corner;  
2           THENCE N. 30 W. 11675 feet to N.W. corner F. C. Burt Survey,  
3   A-28;  
4           THENCE N. 60 E. 7800 feet to its N.E. corner;  
5           THENCE N. 30 W. 7775 feet to N.W. corner Edwin S. Cabler  
6   Survey, A-113;  
7           THENCE N. 60 E. 5225 feet to point in North line of survey,  
8   being S.W. corner of Myrtle Reddell 48 acre tract in Samuel Marshall  
9   Survey, A-571;  
10          THENCE N. 30 W. 2190 feet to Reddell's N.W. corner;  
11          THENCE N. 60 E. 3560 feet to point in West line of public  
12   road;  
13          THENCE N. 30 W. with said line 3,000 feet to its intersection  
14   with the Hill-Johnson County line;  
15          THENCE N. 75 E. 14,900 feet to the place of beginning,  
16   containing 273,864.4 acres of land, more or less. 190,524.4 acres,  
17   more or less, thereof, being in the Aquilla Creek Watershed and  
18   83,340 acres, more or less, being in the Hackberry Creek Watershed.  
19          ~~[It being hereby found and determined that all of the land~~  
20   ~~included within the boundaries of the District will be benefited~~  
21   ~~and that the District is created to serve a public use and benefit,~~  
22   ~~it shall not be necessary for the Board of Directors to call a~~  
23   ~~confirmation election or to hold a hearing on the exclusion of lands~~  
24   ~~or a hearing on the adoption of a plan of taxation, but the ad~~  
25   ~~valorem plan of taxation shall be used by the District.]~~  
26          SECTION 5. CONFORMING AMENDMENT. Section 1, Chapter 110,  
27   Acts of the 41st Legislature, 1st Called Session, 1929, is amended

1 to read as follows:

2       Sec. 1. ~~[That Cameron County Water Improvement District~~  
3 ~~Number Ten, in Cameron County, Texas, as hereinafter described by~~  
4 ~~metes and bounds, is hereby created and established as a~~  
5 ~~Conservation and Reclamation District under authority of Section 59~~  
6 ~~of Article 16, of the Constitution of the State of Texas, for the~~  
7 ~~purpose of the reclamation and irrigation of its arid, semi-arid~~  
8 ~~and other lands, needing irrigation, reclamation and drainage of~~  
9 ~~its overflowed lands, and other lands needing drainage, and all~~  
10 ~~other purposes as contemplated by said Section 59 of Article 16, of~~  
11 ~~the Constitution of this State, and said District shall be a~~  
12 ~~Governmental agency and a body politic with all powers as are~~  
13 ~~granted to such Conservation and Reclamation Districts in the~~  
14 ~~Constitution and in the General Laws of the State of Texas; and the~~  
15 ~~organization and establishment of said District by the~~  
16 ~~Commissioners' Court of Cameron County, Texas, and all orders of~~  
17 ~~said Commissioners' Court of Cameron County, Texas, and of the~~  
18 ~~Board of Directors of said Cameron County Water Improvement~~  
19 ~~District Number Ten, heretofore made in respect to the creation of~~  
20 ~~such District and the authorization and issuance of the bonds of~~  
21 ~~said District and particularly an issue of Six Hundred Eighty~~  
22 ~~Thousand Dollars of bonds voted at an election under date of October~~  
23 ~~1, 1928, be and the same are hereby in all things ratified,~~  
24 ~~confirmed and validated.~~

25       ~~[It is hereby declared and determined that all property~~  
26 ~~within the boundaries of said District, as herein set forth, is~~  
27 ~~benefited by the creation of said District, and that no property not~~

1 ~~benefited is included within such boundaries.]~~ The said Cameron  
2 County Water Improvement District Number Ten, in Cameron County,  
3 Texas, ~~[here now created and established, after consideration of~~  
4 ~~the benefits to the property therein located,]~~ is described by  
5 metes and bounds, as follows, to-wit:

6 Six Thousand Nine Hundred Seventy-eight and 48/100 (6978.48)  
7 acres, more or less, situated wholly in Cameron County, Texas, and  
8 being a part of Shares Nos. 19, 27 and 28 of the Espiritu Santo  
9 Grant, in Cameron County, Texas, as said shares were allotted and  
10 set apart by the final decree partitioning said grant rendered by  
11 the District Court of Cameron County, Texas, May 6, 1889, in Cause  
12 No. 1346 entitled "M. Kenedy, R. King, et al. vs. Thomas Carson,  
13 Administrator, et al.," and more particularly described by metes  
14 and bonds, as follows:

15 "Beginning at a point on the west line of Share No. 27 said  
16 point being South 4°30' West 1228.2 feet from the center line of  
17 State Highway No. 100. Thence South 85°0' East 2915.2 feet to a  
18 point on the East line of said Share No. 27. Thence with the East  
19 line of share No. 27 North 3° 51' East 1258.2 feet to the North line  
20 of State Highway No. 100. Thence South 85° 0' East 2733.3 feet with  
21 the North line of State Highway No. 100 to a point in the East line  
22 of Share No. 28. Thence with the East line of Share No. 28 North 2°  
23 24' East 33,705.8 feet. Thence North 86° 36' West 1893.4 feet to a  
24 point in the East line of Share No. 27. Thence with the East line of  
25 Share No. 27 North 3° 30' East 26,848.8 ft. more or less, to the  
26 Northeast corner of Section 2, Citrus Gardens Subdivision,  
27 according to map recorded in Vol. 8, page 19, of the Map Records of

1 Cameron County, Texas; thence north 85° 58' West, 1972 feet along  
2 and with the North line of said Subdivision to the Northwest corner  
3 thereof in the West line of said Share No. 27; thence South 4° 35'  
4 West 18,060.4 ft. more or less, to the northeast corner of Tract No.  
5 43 of Share No. 19 of the Espiritu Santo Grant, as said Tract No. 43  
6 was set apart and allotted to Mrs. Agnes A. Browne by the final  
7 decree partitioning said Share 19, rendered by the District Court  
8 of Jefferson County, Texas, in Cause No. 7588, entitled "Charles B.  
9 Combe, et al., vs. John H. Broocks, et al"; thence with the North  
10 line of Tract No. 43 North 85° 30' West 1863.6 feet to the Northwest  
11 corner of said Tract No. 43; thence with the West line of Tract No.  
12 43 South 4° 30' West 43,772.3 feet to the Southwest corner of Tract  
13 No. 43; thence with the South line of Tract No. 43 South 88° 30' East  
14 1810.8 feet to a point in the West line of Share No. 27; thence North  
15 4° 30' East 1279.5 feet to the place of beginning, containing  
16 6978.48 acres, more or less."

17 The above described territory being the same territory that  
18 was included within the boundaries of this District at the time of  
19 its organization and described in order adopted on the 18th day of  
20 June, 1928, by the Commissioners' Court of Cameron County, Texas,  
21 with modifications thereto made by orders of the Board of Directors  
22 of said District in conformity with law, prior to the voting of any  
23 bonds by said District.

24 SECTION 6. REPEALER. The following statutes are repealed:

25 (1) Sections 2-20, Chapter 120, Acts of the 60th  
26 Legislature, Regular Session, 1967;

27 (2) Sections 2 and 3, Chapter 271, Acts of the 62nd

1 Legislature, Regular Session, 1971;

2 (3) Sections 2-18, Chapter 411, Acts of the 58th  
3 Legislature, Regular Session, 1963;

4 (4) Sections 4-7, Chapter 541, Acts of the 63rd  
5 Legislature, Regular Session, 1973;

6 (5) Sections 2(b)-(d), Chapter 95, Acts of the 76th  
7 Legislature, Regular Session, 1999;

8 (6) the following provisions of the Local Government  
9 Code:

10 (A) Chapter 384, as added by Chapter 1578, Acts  
11 of the 76th Legislature, Regular Session, 1999;

12 (B) Subchapters A-J, Chapter 376;

13 (C) Subchapter K, Chapter 376, as added by  
14 Chapter 418, Acts of the 77th Legislature, Regular Session, 2001;

15 (D) Subchapter K, Chapter 376, as added by  
16 Chapter 1356, Acts of the 77th Legislature, Regular Session, 2001;

17 (E) Subchapter K, Chapter 376, as added by  
18 Chapter 1371, Acts of the 77th Legislature, Regular Session, 2001;

19 (F) Subchapter K, Chapter 376, as added by  
20 Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001;

21 (G) Subchapter K, Chapter 376, as added by  
22 Chapter 1476, Acts of the 77th Legislature, Regular Session, 2001;

23 (H) Subchapter K, Chapter 376, as added by  
24 Chapter 1384, Acts of the 77th Legislature, Regular Session, 2001;

25 (I) Subchapter K, Chapter 376, as added by  
26 Chapter 1433, Acts of the 77th Legislature, Regular Session, 2001;

27 and

1                   (J) Subchapters A and B, Chapter 396;  
2                   (7) Section 2, Chapter 360, Acts of the 76th  
3 Legislature, Regular Session, 1999;  
4                   (8) Chapter 213, Acts of the 51st Legislature, Regular  
5 Session, 1949;  
6                   (9) Section 2, Chapter 525, Acts of the 71st  
7 Legislature, Regular Session, 1989;  
8                   (10) Chapter 9, page 42, Special laws, Acts of the 41st  
9 Legislature, 4th Called Session, 1930;  
10                  (11) Sections 2-14, Chapter 43, Acts of the 57th  
11 Legislature, 3rd Called Session, 1962;  
12                  (12) Sections 2-10, Chapter 245, Acts of the 58th  
13 Legislature, Regular Session, 1963;  
14                  (13) Chapter 827, Acts of the 70th Legislature,  
15 Regular Session, 1987;  
16                  (14) Chapter 357, Acts of the 72nd Legislature,  
17 Regular Session, 1991;  
18                  (15) Sections 1-3 and 5-9, Chapter 661, Acts of the  
19 62nd Legislature, Regular Session, 1971;  
20                  (16) Chapter 142, Acts of the 55th Legislature,  
21 Regular Session, 1957;  
22                  (17) Sections 2 and 3, Chapter 157, Acts of the 57th  
23 Legislature, Regular Session, 1961;  
24                  (18) Chapter 97, Acts of the 44th Legislature, Regular  
25 Session, 1935;  
26                  (19) Chapter 151, Water Code;  
27                  (20) Sections 1, 2, and 4-12, Chapter 183, Acts of the

1 56th Legislature, Regular Session, 1959;

2 (21) Sections 2-13, Chapter 110, Acts of the 41st  
3 Legislature, 1st Called Session, 1929;

4 (22) Subchapter B, Chapter 421, Local Government Code;  
5 and

6 (23) Chapter 47, Acts of the 75th Legislature, Regular  
7 Session, 1997.

8 SECTION 7. LEGISLATIVE INTENT OF NO SUBSTANTIVE CHANGE.

9 This Act is enacted under Section 43, Article III, Texas  
10 Constitution. This Act is intended as a recodification only, and no  
11 substantive change in the law is intended by this Act.

12 SECTION 8. PRESERVATION OF VALIDATION MADE BY PREVIOUS LAW.

13 (a) The repeal of a law, including a validating law, by this Act  
14 does not remove, void, or otherwise affect in any manner a  
15 validation under the repealed law. The validation is preserved and  
16 continues to have the same effect that it would have if the law were  
17 not repealed.

18 (b) Subsection (a) of this section does not diminish the  
19 saving provisions prescribed by Section 311.031, Government Code.

20 SECTION 9. EFFECTIVE DATE. This Act takes effect April 1,  
21 2005.

03 APR 16 AM 2:15

H. B. 3508

# HOUSE COMMITTEE REPORT

1st Printing

## H.B. 3508 on Committee Report

Rule 12, Section 1 (a) (1) was suspended for the committee report on HB 3508. Therefore, there is no committee report printing on the bill. Attached for your information are:

- (1) the committee amendment(s);
- (2) the committee report form;
- (3) the bill analysis;
- (4) the summary of committee action;
- (5) the witness list
- (6) the fiscal note(s).



COMMITTEE AMENDMENT NO. 1

Amend H.B. No. 3508 by striking page 24, line 23, through page 25, line 2, and substituting:

Sec. 1002.251. DEPOSITORY. As soon as practicable after the creation election results favorably to the creation of the district, the board shall by resolution designate a bank within the county as the district's depository, and all funds of the district shall be secured in the manner provided for the security of county funds. Such depository shall serve for a period of two years and until a successor has been selected. (Acts 60th Leg., R.S., Ch. 120, Sec. 10.)

78R11348 JJT-D

Marchant

# COMMITTEE REPORT

The Honorable Tom Craddick  
Speaker of the House of Representatives

4/7/03  
(date)

Sir:

We, your COMMITTEE ON STATE AFFAIRS

to whom was referred HB3508 have had the same under consideration and beg to report back with the recommendation that it

- ☐ do pass, without amendment.  
☒ do pass, with amendment(s).  
☐ do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.  
☒ yes ☐ no A fiscal note was requested.  
☐ yes ☒ no A criminal justice policy impact statement was requested.  
☐ yes ☒ no An equalized educational funding impact statement was requested.  
☐ yes ☒ no An actuarial analysis was requested.  
☐ yes ☒ no A water development policy impact statement was requested.  
☐ yes ☒ no A tax equity note was requested.  
☐ The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

For Senate Measures: House Sponsor \_\_\_\_\_

Joint Sponsors: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Co-Sponsors: \_\_\_\_\_

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Goodman	X			
Elkins	X			
Lewis	X			
Davis, J.	X			
Villarreal				X
Cook, B.	X			
Gattis	X			
Madden, Vice-chair	X			
Marchant, Chair	X			

Total 8 aye  
0 nay  
0 present, not voting  
1 absent

  
CHAIR

## **BILL ANALYSIS**

H.B. 3508  
By: Marchant  
State Affairs  
Committee Report (Amended)

### **BACKGROUND AND PURPOSE**

The Texas Legislative Council is required by law (Section 323.007, Government Code) to carry out a complete nonsubstantive revision of the Texas statutes. The process involves reclassifying and rearranging the statutes in a more logical order, employing a numbering system and format that will accommodate later expansion of the law, eliminating repealed, invalid, duplicative, and other ineffective provisions, and improving the draftsmanship of the law, if practicable--all toward promoting the stated purpose of making the statutes "more accessible, understandable, and usable" without altering the sense, meaning, or effect of the law.

In 1965, the council adopted a long-range plan of compiling the law into codes arranged by general topics. This code is the first to systematically codify local laws according to topic, in this case those local laws concerning special districts.

The bill proposes a new Special District Local Laws Code composed of the following six titles:

- Title 1, General Provisions;
- Title 2, Environment and Sanitation;
- Title 3, Health;
- Title 4, Development and Improvement;
- Title 5, Transportation; and
- Title 6, Water and Wastewater.

The titles are divided into subtitles, chapters, subchapters, and sections. Sections are numbered decimally, and the number to the left of the decimal point is the same as the chapter number. Gaps in chapter and section numbering are for later expansion. The code is organized so that each district's local law is contained in a single, separate chapter, and to establish the structure of the code, council staff has selected at least one district to treat for each proposed subtitle (with a few exceptions).

The council's legal staff has taken meticulous care to ensure that no substantive change has been made in the laws and to preserve any ambiguity or interpretation that may exist in the current laws.

The staff has developed an extensive mailing list, and drafts of the proposed chapters have been distributed to interested persons, including state agencies and representatives of each district whose local law was selected for inclusion, for review and comment. The staff has studied submitted comments and suggestions and has taken action to satisfy any concerns expressed.

The proposed code is a nonsubstantive revision of Texas law. The substance of the law has not been altered. The sole purpose of the proposed code is to compile the local laws, arranged in a logical fashion, and rewrite them without altering their meaning or legal effect. If a particular source statute is ambiguous and the ambiguity cannot be resolved without a potential substantive effect, the ambiguity is preserved.

### **RULEMAKING AUTHORITY**

This bill does not expressly delegate rulemaking authority to any state officer, department, agency, or institution, but does codify that authority already delegated by previous law.

## **ANALYSIS**

The bill proposes Titles 1-6, Special District Local Laws Code, which is a nonsubstantive revision of certain local laws concerning special districts organized by type of district. The bill revises local laws concerning certain hospital districts, certain development and improvement districts, a navigation district, and certain conservation and reclamation districts. The bill also includes conforming amendments to certain of these local laws as necessary to continue without substantive change provisions of law not codified as part of the code. In addition, the bill repeals the local laws revised in the bill as well as the portions of those local laws that have expired or that have been impliedly repealed. Finally, the bill includes a statement of the legislative intent to codify only, without substantive change.

## **EFFECTIVE DATE**

The bill is to take effect April 1, 2005, in order to provide affected persons a complete legislative cycle to more closely review what the legislature has enacted.

## **EXPLANATION OF AMENDMENTS**

Committee Amendment No. 1 amends Section 1002.251 of the proposed Special District Local Laws Code to make that section more closely follow the source law from which the section is derived. By more closely following the source law, an ambiguity will be retained in the law, and the section can be interpreted in a way consistent with the way in which the affected district currently interprets the law. The ambiguity relates to the length of time for which a bank serves as the district's depository.

## SUMMARY OF COMMITTEE ACTION

HB 3508

April 7, 2003      2:30PM      or upon final adjourn./recess

---

Considered in public hearing

Testimony taken in committee (See attached witness list.)

Amendment(s) considered in committee

Reported favorably as amended

**WITNESS LIST**

**HB 3508  
HOUSE COMMITTEE REPORT  
State Affairs Committee**

**April 7, 2003 - 2:30PM or upon final adjourn./recess**

**On: Thorne, Jeffrey (Texas Legislative Council Legal  
Division)**

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 9, 2003**

**TO: Honorable Kenny Marchant, Chair, House Committee on State Affairs**

**FROM: John Keel, Director, Legislative Budget Board**

**IN RE: HB3508** by Marchant (Relating to the adoption of a nonsubstantive revision of local laws concerning special districts, including conforming amendments.), **Committee Report 1st House, As Amended**

<b>No fiscal implication to the State is anticipated.</b>
---

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** JK, RR

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**March 28, 2003**

**TO:** Honorable Kenny Marchant, Chair, House Committee on State Affairs

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE:** HB3508 by Marchant (Relating to the adoption of a nonsubstantive revision of local laws concerning special districts, including conforming amendments.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
---

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** JK, RR



LIST OF HOUSE AMENDMENTS CONSIDERED TODAY

HB3508-Second Reading

<u>AMENDMENT#</u>	<u>AUTHOR</u>	<u>DESCRIPTION</u>	<u>ACTION</u>
1	Marchant	Comm Amdt	Adopted
2	Marchant	Amendment	Adopted

**ADOPTED**



AMENDMENT NO. 1

APR 29 2003

*Robert Hancey*  
Chief Clerk  
House of Representatives

COMMITTEE AMENDMENT NO. 1

BY: Marchant

1 Amend H.B. No. 3508 by striking page 24, line 23, through page  
2 25, line 2, and substituting:

3 Sec. 1002.251. DEPOSITORY. As soon as practicable after  
4 the creation election results favorably to the creation of the  
5 district, the board shall by resolution designate a bank within the  
6 county as the district's depository, and all funds of the district  
7 shall be secured in the manner provided for the security of county  
8 funds. Such depository shall serve for a period of two years and  
9 until a successor has been selected. (Acts 60th Leg., R.S., Ch.  
10 120, Sec. 10.)



702597

FLOOR AMENDMENT NO. 2

ADOPTED

APR 29 2003

BY:

Robert H. Hanes  
Chief Clerk  
House of Representatives

1 Amend H.B. No. 3508 on page 473 the end of line 11 by  
2 adding:  
3 "This Act does not increase or decrease the territory of any  
4 special district of the state as those boundaries exist on the  
5 effective date of this Act."

**HOUSE  
ENGROSSMENT**

By: Marchant

H.B. No. 3508

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the adoption of a nonsubstantive revision of local laws  
3 concerning special districts, including conforming amendments.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. ADOPTION OF CODE. The Special District Local  
6 Laws Code is adopted to read as follows:

7 SPECIAL DISTRICT LOCAL LAWS CODE

8 TITLE 1. GENERAL PROVISIONS

9 CHAPTER 1. GENERAL PROVISIONS

10 [Chapters 2-20 reserved for expansion]

11 TITLE 2. ENVIRONMENT AND SANITATION

12 SUBTITLE A. SOLID WASTE MANAGEMENT

13 [Chapters 21-1000 reserved for expansion]

14 TITLE 3. HEALTH

15 SUBTITLE A. HOSPITAL DISTRICTS

16 [Chapter 1001 reserved for expansion]

17 CHAPTER 1002. ANGLETON-DANBURY HOSPITAL DISTRICT OF BRAZORIA  
18 COUNTY, TEXAS

19 CHAPTER 1003. BOOKER HOSPITAL DISTRICT

20 [Chapters 1004-3000 reserved for expansion]

21 TITLE 4. DEVELOPMENT AND IMPROVEMENT

22 SUBTITLE A. AGRICULTURE

23 CHAPTER 3001. SOUTHEAST TEXAS AGRICULTURAL DEVELOPMENT  
24 DISTRICT

[Chapters 3002-3500 reserved for expansion]

SUBTITLE B. DEFENSE BASE DEVELOPMENT

CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY

CHAPTER 3502. WESTWORTH VILLAGE-WHITE SETTLEMENT REDEVELOPMENT  
AUTHORITY

[Chapters 3503-3800 reserved for expansion]

SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT

CHAPTER 3801. HOUSTON DOWNTOWN MANAGEMENT DISTRICT

CHAPTER 3802. WESTCHASE DISTRICT

CHAPTER 3803. GREATER GREENSPPOINT MANAGEMENT DISTRICT  
OF HARRIS COUNTY

CHAPTER 3804. FIRST COLONY MANAGEMENT DISTRICT

CHAPTER 3805. UPPER KIRBY MANAGEMENT DISTRICT

CHAPTER 3806. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2

CHAPTER 3807. GREATER EAST END MANAGEMENT DISTRICT

CHAPTER 3808. EAST DOWNTOWN MANAGEMENT DISTRICT

CHAPTER 3809. MIDTOWN MANAGEMENT DISTRICT

CHAPTER 3810. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT  
NO. 1

CHAPTER 3811. NEAR NORTHWEST MANAGEMENT DISTRICT

CHAPTER 3812. GREATER NORTHSIDE MANAGEMENT DISTRICT

CHAPTER 3813. OLD TOWN SPRING IMPROVEMENT DISTRICT

CHAPTER 3814. ENERGY CORRIDOR MANAGEMENT DISTRICT

CHAPTER 3815. GREATER SOUTHEAST MANAGEMENT DISTRICT

CHAPTER 3816. FRISCO SQUARE MANAGEMENT DISTRICT

CHAPTER 3817. ALDINE COMMUNITY IMPROVEMENT DISTRICT

[Chapters 3818-5000 reserved for expansion]

1 TITLE 5. TRANSPORTATION  
2 SUBTITLE A. NAVIGATION DISTRICTS AND PORT AUTHORITIES  
3 CHAPTER 5001. ARANSAS COUNTY NAVIGATION DISTRICT NO. 1  
4 [Chapters 5002-5200 reserved for expansion]  
5 SUBTITLE B. ROAD AND ROAD UTILITY DISTRICTS  
6 [Chapters 5201-6600 reserved for expansion]  
7 TITLE 6. WATER AND WASTEWATER  
8 SUBTITLE A. DRAINAGE DISTRICTS  
9 CHAPTER 6601. ANGLETON DRAINAGE DISTRICT  
10 [Chapters 6602-6900 reserved for expansion]  
11 SUBTITLE B. FRESH WATER SUPPLY DISTRICTS  
12 CHAPTER 6901. BAYVIEW MUNICIPAL UTILITY DISTRICT OF  
13 GALVESTON COUNTY  
14 [Chapters 6902-7200 reserved for expansion]  
15 SUBTITLE C. SPECIAL UTILITY DISTRICTS  
16 [Chapters 7201-7500 reserved for expansion]  
17 SUBTITLE D. IRRIGATION DISTRICTS  
18 [Chapters 7501-7800 reserved for expansion]  
19 SUBTITLE E. LEVEE IMPROVEMENT DISTRICTS  
20 CHAPTER 7801. BOIS D'ARC ISLAND LEVEE IMPROVEMENT DISTRICT  
21 OF DALLAS AND KAUFMAN COUNTIES  
22 [Chapters 7802-8100 reserved for expansion]  
23 SUBTITLE F. MUNICIPAL UTILITY DISTRICTS  
24 CHAPTER 8101. ATHENS MUNICIPAL WATER AUTHORITY  
25 CHAPTER 8102. ADDICKS UTILITY DISTRICT  
26 [Chapters 8103-8500 reserved for expansion]  
27 SUBTITLE G. RIVER AUTHORITIES

CHAPTER 8501. ANGELINA AND NECHES RIVER AUTHORITY

[Chapters 8502-8800 reserved for expansion]

SUBTITLE H. DISTRICTS GOVERNING GROUNDWATER

CHAPTER 8801. HARRIS-GALVESTON COASTAL SUBSIDENCE DISTRICT

[Chapters 8802-9000 reserved for expansion]

SUBTITLE I. WATER CONTROL AND IMPROVEMENT DISTRICTS

[Chapters 9001 and 9002 reserved for expansion]

CHAPTER 9003. AQUILLA-HACKBERRY CREEK CONSERVATION DISTRICT

[Chapters 9004-9300 reserved for expansion]

SUBTITLE J. WATER IMPROVEMENT DISTRICTS

CHAPTER 9301. CAMERON COUNTY WATER IMPROVEMENT DISTRICT

NUMBER TEN

[Chapters 9302-9500 reserved for expansion]

SUBTITLE K. SEAWALL COMMISSIONS

CHAPTER 9501. SEAWALL COMMISSION IN MATAGORDA COUNTY

[Chapters 9502-11000 reserved for expansion]

SUBTITLE X. DISTRICTS WITH COMBINED POWERS

CHAPTER 11001. ROAD DISTRICT AUTHORITY OF BASTROP COUNTY

WATER CONTROL AND IMPROVEMENT DISTRICT

NO. 2

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 1. GENERAL PROVISIONS

CHAPTER 1. GENERAL PROVISIONS

Sec. 1.001. PURPOSE OF CODE

Sec. 1.002. CONSTRUCTION OF CODE

Sec. 1.003. REFERENCE IN LAW TO STATUTE REVISED BY CODE

CHAPTER 1. GENERAL PROVISIONS

1           Sec. 1.001. PURPOSE OF CODE. (a) This code is enacted as  
2 a part of the state's continuing statutory revision program, begun  
3 by the Texas Legislative Council in 1963 as directed by the  
4 legislature in the law codified as Section 323.007, Government  
5 Code. The program contemplates a topic-by-topic revision of the  
6 state's general and permanent statute law without substantive  
7 change.

8           (b) Consistent with the objectives of the statutory  
9 revision program, the purpose of this code is to make the law  
10 encompassed by this code more accessible and understandable by:

11               (1) rearranging the statutes into a more logical  
12 order;

13               (2) employing a format and numbering system designed  
14 to facilitate citation of the law and to accommodate future  
15 expansion of the law;

16               (3) eliminating               repealed,               duplicative,  
17 unconstitutional, expired, executed, and other ineffective  
18 provisions; and

19               (4) restating the law in modern American English to  
20 the greatest extent possible. (New.)

21           Sec. 1.002. CONSTRUCTION OF CODE. Chapter 311, Government  
22 Code (Code Construction Act), applies to the construction of each  
23 provision in this code except as otherwise expressly provided by  
24 this code. (New.)

25           Sec. 1.003. REFERENCE IN LAW TO STATUTE REVISED BY CODE. A  
26 reference in a law to a statute or a part of a statute revised by  
27 this code is considered to be a reference to the part of this code



that revises that statute or part of that statute. (New.)

[Chapters 2-20 reserved for expansion]

TITLE 2. ENVIRONMENT AND SANITATION

SUBTITLE A. SOLID WASTE MANAGEMENT

[Chapters 21-1000 reserved for expansion]

TITLE 3. HEALTH

SUBTITLE A. HOSPITAL DISTRICTS

[Chapter 1001 reserved for expansion]

CHAPTER 1002. ANGLETON-DANBURY HOSPITAL DISTRICT OF

BRAZORIA COUNTY, TEXAS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1002.001. DEFINITIONS

Sec. 1002.002. AUTHORITY FOR CREATION

Sec. 1002.003. POLITICAL SUBDIVISION

Sec. 1002.004. DISTRICT TERRITORY

Sec. 1002.005. CORRECTION OF INVALID PROCEDURES

Sec. 1002.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE

OBLIGATION

[Sections 1002.007-1002.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1002.051. BOARD OF DIRECTORS; ELECTION

Sec. 1002.052. BOND; RECORD OF BOND AND OATH OF OFFICE

Sec. 1002.053. BOARD VACANCY

Sec. 1002.054. OFFICERS

Sec. 1002.055. COMPENSATION; REIMBURSEMENT

Sec. 1002.056. VOTING REQUIREMENT

Sec. 1002.057. RECRUITMENT OF STAFF AND EMPLOYEES

1 Sec. 1002.058. STAFF PHYSICIAN OFFICE FACILITIES

2 Sec. 1002.059. HEALTH EDUCATION PROGRAMS FOR STAFF  
3 AND EMPLOYEES

4 Sec. 1002.060. RETIREMENT BENEFITS

5 [Sections 1002.061-1002.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 1002.101. DISTRICT RESPONSIBILITY

8 Sec. 1002.102. LIMITATION ON CERTAIN POLITICAL SUBDIVISIONS

9 Sec. 1002.103. POWERS OF BOARD

10 Sec. 1002.104. HOSPITAL SYSTEM

11 Sec. 1002.105. OPERATING, MANAGEMENT, OR CONSULTING

12 CONTRACTS

13 Sec. 1002.106. PROVISION OF SERVICES OUTSIDE DISTRICT

14 Sec. 1002.107. EMINENT DOMAIN

15 Sec. 1002.108. GIFTS AND ENDOWMENTS

16 Sec. 1002.109. AUTHORITY TO SUE AND BE SUED

17 [Sections 1002.110-1002.150 reserved for expansion]

18 SUBCHAPTER D. CHANGE IN BOUNDARIES

19 Sec. 1002.151. PETITION TO EXPAND DISTRICT TERRITORY

20 Sec. 1002.152. NOTICE OF HEARING

21 Sec. 1002.153. ORDER OF ANNEXATION

22 Sec. 1002.154. RATIFICATION ELECTION

23 Sec. 1002.155. ASSUMPTION OF DEBTS AND TAXES

24 [Sections 1002.156-1002.200 reserved for expansion]

25 SUBCHAPTER E. DISSOLUTION

26 Sec. 1002.201. DISSOLUTION; ELECTION

27 Sec. 1002.202. NOTICE OF ELECTION

1    Sec. 1002.203.    BALLOT  
2    Sec. 1002.204.    ELECTION RESULTS  
3    Sec. 1002.205.    TRANSFER OR ADMINISTRATION OF ASSETS  
4    Sec. 1002.206.    SALE OR TRANSFER OF ASSETS AND LIABILITIES  
5    Sec. 1002.207.    IMPOSITION OF TAX AND RETURN OF  
6                                SURPLUS TAXES  
7    Sec. 1002.208.    REPORT; DISSOLUTION ORDER  
8                    [Sections 1002.209-1002.250 reserved for expansion]  
9                                SUBCHAPTER F.    DISTRICT FUNDS  
10   Sec. 1002.251.    DEPOSITORY  
11   Sec. 1002.252.    AUTHORITY TO BORROW MONEY; SECURITY  
12                    [Sections 1002.253-1002.300 reserved for expansion]  
13                                SUBCHAPTER G.    BONDS  
14   Sec. 1002.301.    GENERAL OBLIGATION BONDS  
15   Sec. 1002.302.    TAXES TO PAY GENERAL OBLIGATION BONDS  
16   Sec. 1002.303.    GENERAL OBLIGATION BOND ELECTION  
17   Sec. 1002.304.    EXECUTION OF GENERAL OBLIGATION BONDS  
18   Sec. 1002.305.    INVESTMENT OF GENERAL OBLIGATION BOND  
19                                PROCEEDS  
20   Sec. 1002.306.    REVENUE BONDS  
21                    [Sections 1002.307-1002.350 reserved for expansion]  
22                                SUBCHAPTER H.    TAXES  
23   Sec. 1002.351.    IMPOSITION OF TAXES  
24   Sec. 1002.352.    TAX ASSESSOR-COLLECTOR  
25                    CHAPTER 1002.    ANGLETON-DANBURY HOSPITAL DISTRICT OF  
26                                BRAZORIA COUNTY, TEXAS  
27                                SUBCHAPTER A.    GENERAL PROVISIONS

1           Sec. 1002.001. DEFINITIONS. In this chapter:

2                   (1) "Board" means the board of directors of the  
3 district.

4                   (2) "District" means the Angleton-Danbury Hospital  
5 District of Brazoria County, Texas.

6                   (3) "Director" means a member of the board. (New.)

7           Sec. 1002.002. AUTHORITY       FOR       CREATION.           The  
8 Angleton-Danbury Hospital District of Brazoria County, Texas, is  
9 created under the authority of Section 9, Article IX, Texas  
10 Constitution. (Acts 60th Leg., R.S., Ch. 120, Sec. 1 (part).)

11           Sec. 1002.003. POLITICAL SUBDIVISION. The district is a  
12 political subdivision of this state. (Acts 60th Leg., R.S., Ch.  
13 120, Sec. 15 (part).)

14           Sec. 1002.004. DISTRICT TERRITORY. (a) The district is  
15 composed of the territory described by Section 1, Chapter 120, Acts  
16 of the 60th Legislature, Regular Session, 1967, as that territory  
17 may have been modified under:

18                   (1) Subchapter D or its predecessor statute, Section  
19 4a, Chapter 120, Acts of the 60th Legislature, Regular Session,  
20 1967; or

21                   (2) other law.

22           (b) The legislature finds that the boundaries and field  
23 notes of the district contained in Section 1, Chapter 120, Acts of  
24 the 60th Legislature, Regular Session, 1967, form a closure. A  
25 mistake in the field notes or in copying the field notes in the  
26 legislative process does not affect:

27                   (1) the organization, existence, or validity of the

1 district;

2 (2) the right of the district to issue bonds;

3 (3) the right of the district to impose taxes; or

4 (4) the legality or operation of the district in any  
5 other manner. (Acts 60th Leg., R.S., Ch. 120, Sec. 1 (part); New.)

6 Sec. 1002.005. CORRECTION OF INVALID PROCEDURES. If a  
7 court holds that any procedure under this chapter violates the  
8 constitution of this state or of the United States, the district by  
9 resolution may provide an alternative procedure that conforms with  
10 the constitution. (Acts 60th Leg., R.S., Ch. 120, Sec. 17 (part).)

11 Sec. 1002.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
12 OBLIGATION. The support and maintenance of the district's  
13 hospital system may not become a charge against or obligation of  
14 this state. (Acts 60th Leg., R.S., Ch. 120, Sec. 8 (part).)

15 [Sections 1002.007-1002.050 reserved for expansion]

16 SUBCHAPTER B. DISTRICT ADMINISTRATION

17 Sec. 1002.051. BOARD OF DIRECTORS; ELECTION. (a) The  
18 board consists of nine persons elected as provided by this section.

19 (b) For the purpose of electing a board, the district is  
20 divided into three areas:

21 (1) Area Angleton, composed of:

22 (A) all territory within Brazoria County  
23 election precincts Nos. 1, 2, and 5 that is within the boundaries of  
24 the Angleton Independent School District, as those precincts and  
25 those boundaries existed on January 1, 1967; and

26 (B) that part of Brazoria County election  
27 precinct No. 6 that is west of Chocolate Bayou and within the

1 boundaries of the Angleton Independent School District, as that  
2 precinct and those boundaries existed on January 1, 1967;

3 (2) Area Danbury, composed of all territory within the  
4 boundaries of the Danbury Independent School District, as those  
5 boundaries existed on January 1, 1967; and

6 (3) Area Rosharon, composed of:

7 (A) all territory within Brazoria County  
8 election precinct No. 9 that is not within the boundaries of the  
9 Danbury Independent School District, as that precinct and those  
10 boundaries existed on January 1, 1967; and

11 (B) all territory within Brazoria County  
12 election precinct No. 21 that is not within the boundaries of the  
13 Manvel Independent School District, as that precinct and those  
14 boundaries existed on January 1, 1967.

15 (c) A change in the boundaries of an election precinct or a  
16 school district does not affect or change the boundaries of an area  
17 prescribed by Subsection (b).

18 (d) Eight directors are elected by position and one director  
19 is elected at large. The persons elected for Director, Position  
20 Nos. 1, 2, 3, 4, and 5 must be residents of Area Angleton. The  
21 persons elected for Director, Position Nos. 6 and 7 must be  
22 residents of Area Danbury. The person elected for Director,  
23 Position No. 8 must be a resident of Area Rosharon. The director  
24 elected for Position No. 9 must be a resident of the district at  
25 large.

26 (e) At each directors' election, all qualified voters of the  
27 district may vote for directors. The candidate for a position

1 receiving the highest number of votes for election to that position  
2 is a director for the district.

3 (f) Directors serve staggered two-year terms unless  
4 four-year terms are established under Section 285.081, Health and  
5 Safety Code. If the directors serve two-year terms, the terms of  
6 directors elected to odd-numbered positions expire in  
7 even-numbered years and the terms of directors elected to  
8 even-numbered positions expire in odd-numbered years. (Acts 60th  
9 Leg., R.S., Ch. 120, Sec. 4 (part).)

10 Sec. 1002.052. BOND; RECORD OF BOND AND OATH OF  
11 OFFICE. (a) Each director shall execute a good and sufficient  
12 bond for \$5,000 that is:

13 (1) approved by the Commissioners Court of Brazoria  
14 County and the board;

15 (2) payable to the district; and

16 (3) conditioned on the faithful performance of the  
17 director's duties.

18 (b) The bond and the constitutional oath of office shall be  
19 kept in the permanent records of the district. (Acts 60th Leg.,  
20 R.S., Ch. 120, Sec. 4 (part).)

21 Sec. 1002.053. BOARD VACANCY. (a) If a vacancy occurs in  
22 the office of director, the remaining directors shall appoint a  
23 director for the remainder of the unexpired term.

24 (b) If the number of directors is reduced to less than five,  
25 the remaining directors shall immediately call a special election  
26 to fill the vacancies. On application of any voter or taxpayer of  
27 the district when the board fails to call an election, a district

1 court may order the directors to hold the election. (Acts 60th  
2 Leg., R.S., Ch. 120, Sec. 7 (part).)

3 Sec. 1002.054. OFFICERS. The board shall elect a president  
4 and a secretary from among the directors to serve until the next  
5 directors election. (Acts 60th Leg., R.S., Ch. 120, Sec. 7 (part).)

6 Sec. 1002.055. COMPENSATION; REIMBURSEMENT. A director  
7 serves without compensation but may be reimbursed for actual  
8 expenses incurred by the director in the performance of official  
9 duties on the approval of the expenses by the board. (Acts 60th  
10 Leg., R.S., Ch. 120, Sec. 7 (part).)

11 Sec. 1002.056. VOTING REQUIREMENT. A concurrence of five  
12 directors is sufficient in any matter relating to the business of  
13 the district. (Acts 60th Leg., R.S., Ch. 120, Sec. 7 (part).)

14 Sec. 1002.057. RECRUITMENT OF STAFF AND EMPLOYEES. The  
15 board may spend district money, enter into agreements, and take  
16 other necessary action to recruit physicians and other persons to  
17 serve as medical staff members or district employees, including:

18 (1) advertising and marketing;

19 (2) paying travel, recruitment, and relocation  
20 expenses; and

21 (3) providing a loan or scholarship to a physician, or  
22 a person currently enrolled in health care education courses at an  
23 institution of higher education, who contractually agrees to become  
24 a medical staff member or district employee. (Acts 60th Leg., R.S.,  
25 Ch. 120, Sec. 7A(c).)

26 Sec. 1002.058. STAFF PHYSICIAN OFFICE FACILITIES. (a) The  
27 board shall determine the type, number, and location of buildings



1 necessary to establish and maintain office facilities for staff  
2 physicians to provide adequate medical care.

3 (b) The board may:

4 (1) acquire property and equipment and construct  
5 facilities for the district for use by staff physicians; and

6 (2) mortgage or pledge the property, equipment, or  
7 facilities as security for the payment of the purchase price or  
8 construction cost.

9 (c) The board may lease the office facilities and equipment  
10 to staff physicians or may sell or otherwise dispose of the  
11 property, facilities, and equipment. (Acts 60th Leg., R.S., Ch.  
12 120, Secs. 12A(a), (b), (c).)

13 Sec. 1002.059. HEALTH EDUCATION PROGRAMS FOR STAFF AND  
14 EMPLOYEES. The board may spend district money, enter into  
15 agreements, and take other necessary action to conduct, participate  
16 in, or otherwise assist in providing health care educational  
17 programs for current or prospective medical staff members or  
18 district employees. (Acts 60th Leg., R.S., Ch. 120, Sec. 7A(d).)

19 Sec. 1002.060. RETIREMENT BENEFITS. The board may provide  
20 retirement benefits for district employees by:

21 (1) establishing or administering a retirement  
22 program; or

23 (2) participating in:

24 (A) the Texas County and District Retirement  
25 System; or

26 (B) another statewide retirement system in which  
27 the district is eligible to participate. (Acts 60th Leg., R.S., Ch.

120, Sec. 7A(e).)

[Sections 1002.061-1002.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1002.101. DISTRICT RESPONSIBILITY. The district has full responsibility for providing medical and hospital care for the district's needy residents. (Acts 60th Leg., R.S., Ch. 120, Sec. 2(a) (part).)

Sec. 1002.102. LIMITATION ON CERTAIN POLITICAL SUBDIVISIONS. A political subdivision other than the district in Brazoria County may not impose taxes or issue bonds or other obligations for hospital purposes or to provide medical care for district residents. (Acts 60th Leg., R.S., Ch. 120, Sec. 2(a) (part).)

Sec. 1002.103. POWERS OF BOARD. (a) The board has all powers necessary, convenient, or incidental to carry out the purposes for which the district was created.

(b) The board has the complete management and control of all the business of the district, including the power to negotiate and contract with any person to purchase or lease land, to construct and equip a hospital system, to operate and maintain a hospital or hospitals, and to negotiate and contract with other political subdivisions of the state or private individuals, associations, or corporations for those purposes, all as may be determined to be necessary or desirable for the district by the board.

(c) This section is not a limitation on the powers of the board. (Acts 60th Leg., R.S., Ch. 120, Secs. 4 (part), 7 (part).)

Sec. 1002.104. HOSPITAL SYSTEM. (a) The district shall

1 provide for the establishment of a hospital or hospital system  
2 within the district's boundaries to provide health care services to  
3 persons residing in the district by:

4 (1) purchasing, constructing, acquiring, repairing,  
5 or renovating buildings and improvements;

6 (2) equipping the buildings and improvements; and

7 (3) administering the buildings and improvements for  
8 hospital purposes.

9 (b) The hospital system may include any facility or  
10 equipment the board considers necessary or appropriate for  
11 providing health care services, including:

12 (1) domiciliary care and treatment of sick, injured,  
13 or geriatric patients;

14 (2) outpatient clinics;

15 (3) rural health clinics;

16 (4) convalescent home facilities;

17 (5) assisted living or personal care facilities;

18 (6) physicians' offices;

19 (7) home health care services;

20 (8) durable medical equipment;

21 (9) long-term care;

22 (10) skilled and intermediate nursing care;

23 (11) preventive care services;

24 (12) ancillary support;

25 (13) pharmacies;

26 (14) hospice care;

27 (15) community mental health centers; and

1           (16) alcohol or chemical dependency centers.

2           (c) The district may operate or assist in the operation of a  
3 mobile emergency medical service as part of the hospital system.  
4 (Acts 60th Leg., R.S., Ch. 120, Secs. 2(a) (part), (b).)

5           Sec. 1002.105. OPERATING, MANAGEMENT, OR CONSULTING  
6 CONTRACTS. (a) The board may enter into an operating,  
7 management, or consulting contract to obtain management or  
8 consulting services for the district or for any portion of the  
9 district. The contract must provide that the board retains  
10 responsibility for and control of the district's operation.

11           (b) A company providing services to the district under the  
12 contract, and the officers, directors, and employees of the  
13 company, while performing services under the contract for the  
14 benefit of the district:

15           (1) are solely employees of the district for purposes  
16 of any determination regarding the immunity or liability of the  
17 company or its officers, directors, and employees; and

18           (2) have immunity or limited liability under laws  
19 applicable to district employees, whether statutory or common law,  
20 to the extent a district employee would be entitled under the same  
21 circumstances. (Acts 60th Leg., R.S., Ch. 120, Sec. 7A(a).)

22           Sec. 1002.106. PROVISION OF SERVICES OUTSIDE  
23 DISTRICT. Subject to the approval of the board, the district may  
24 provide primary care, emergency services, preventive medical  
25 services, and other health-related services outside the district if  
26 the services serve the purpose of the district as established by  
27 this chapter. (Acts 60th Leg., R.S., Ch. 120, Sec. 7A(b).)

1           Sec. 1002.107. EMINENT DOMAIN. (a) The district may  
2   exercise the power of eminent domain to acquire a fee simple or  
3   other interest in any type of property, real, personal, or mixed,  
4   located in the territory of the district if the interest is  
5   necessary or convenient for the district to exercise the rights,  
6   powers, privileges, or functions conferred by this chapter.

7           (b) The district must exercise the power of eminent domain  
8   in the manner provided by Chapter 21, Property Code, but the  
9   district is not required to deposit in the trial court money or a  
10   bond as provided by Section 21.021(a), Property Code.

11          (c) In a condemnation proceeding brought by the district,  
12   the district is not required to:

13               (1) pay in advance or provide bond or other security  
14   for costs in the trial court;

15               (2) provide bond for the issuance of a temporary  
16   restraining order or a temporary injunction; or

17               (3) provide bond for cost or supersedeas on an appeal  
18   or writ of error. (Acts 60th Leg., R.S., Ch. 120, Sec. 11.)

19          Sec. 1002.108. GIFTS AND ENDOWMENTS. (a) The board may  
20   accept for the district a gift or endowment to be held in trust and  
21   administered by the board for the purposes and under the  
22   directions, limitations, or provisions prescribed in writing by the  
23   donor that are not inconsistent with the proper management and  
24   objectives of the district.

25          (b) This section is not a limitation on the authority of the  
26   board. (Acts 60th Leg., R.S., Ch. 120, Sec. 16.)

27          Sec. 1002.109. AUTHORITY TO SUE AND BE SUED. As a

1 government agency, the district may sue and be sued in its own name  
2 in any court of this state. (Acts 60th Leg., R.S., Ch. 120, Sec. 15  
3 (part).)

4 [Sections 1002.110-1002.150 reserved for expansion]

5 SUBCHAPTER D. CHANGE IN BOUNDARIES

6 Sec. 1002.151. PETITION TO EXPAND DISTRICT  
7 TERRITORY. (a) Territory may be added to the district on a  
8 petition for annexation signed by the owners of a majority in value  
9 of the land sought to be annexed, as shown by the county tax rolls.

10 (b) The petition must be filed with the secretary of the  
11 board. (Acts 60th Leg., R.S., Ch. 120, Sec. 4a (part).)

12 Sec. 1002.152. NOTICE OF HEARING. (a) The board shall  
13 pass an order fixing a time and place at which the petition shall be  
14 heard.

15 (b) The secretary shall issue notice of the time and place  
16 of the hearing. The notice must describe the territory proposed to  
17 be annexed by metes and bounds or by lot and block number, if there  
18 is a recorded map or plat and survey of the land.

19 (c) Notice of the hearing shall be given by publication of a  
20 copy of the notice in a newspaper of general circulation in Brazoria  
21 County at least one time, the date of the first publication to be at  
22 least 10 days before the date of the hearing. (Acts 60th Leg.,  
23 R.S., Ch. 120, Sec. 4a (part).)

24 Sec. 1002.153. ORDER OF ANNEXATION. If, after hearing the  
25 petition, the board finds that the proposed annexation is to the  
26 advantage of the district and to the territory to be annexed, the  
27 board may by order annex the territory to the district. (Acts 60th

1 Leg., R.S., Ch. 120, Sec. 4a (part).)

2 Sec. 1002.154. RATIFICATION ELECTION. (a) Annexation of  
3 the territory does not become final until ratified by a majority  
4 vote at a separate election held within the boundaries of the  
5 district and by a majority vote at a separate election held within  
6 the territory to be annexed.

7 (b) The election must be called by the board on its own  
8 motion. The order calling the election shall specify the date, the  
9 place or places where the election shall be held, and the presiding  
10 election officers.

11 (c) Notice of the election shall be given by publishing a  
12 substantial copy of the order calling the election in a newspaper of  
13 general circulation in Brazoria County once a week for two  
14 consecutive weeks, the date of the first publication to be at least  
15 14 days before the date set for the election. (Acts 60th Leg.,  
16 R.S., Ch. 120, Sec. 4a (part).)

17 Sec. 1002.155. ASSUMPTION OF DEBTS AND TAXES. If the  
18 district has outstanding debts or taxes, the proposition for  
19 assumption of its proportion of the debts or taxes by the territory  
20 if annexed shall also be submitted at the election. The annexed  
21 territory shall bear its pro rata part of all indebtedness or taxes  
22 that may be owed, contracted, or authorized by the district. (Acts  
23 60th Leg., R.S., Ch. 120, Sec. 4a (part).)

24 [Sections 1002.156-1002.200 reserved for expansion]

25 SUBCHAPTER E. DISSOLUTION

26 Sec. 1002.201. DISSOLUTION; ELECTION. (a) The district  
27 may be dissolved only on approval of a majority of the voters voting

1 in an election held for that purpose.

2 (b) The board may order an election on the question of  
3 dissolving the district and disposing of the district's assets and  
4 obligations.

5 (c) The board shall order an election on the question of  
6 dissolution of the district if the board receives a petition  
7 requesting an election that is signed by a number of residents of  
8 the district equal to at least 15 percent of the registered voters  
9 in the district.

10 (d) The election shall be held not later than the 60th day  
11 after the date the election is ordered.

12 (e) The order calling the election must state:

13 (1) the nature of the election, including the  
14 proposition that is to appear on the ballot;

15 (2) the date of the election;

16 (3) the hours during which the polls will be open; and

17 (4) the location of the polling places.

18 (f) Section 41.001(a), Election Code, does not apply to an  
19 election ordered under this section. (Acts 60th Leg., R.S., Ch.  
20 120, Secs. 20(a), (b), (c).)

21 Sec. 1002.202. NOTICE OF ELECTION. (a) The board shall  
22 give notice of the election by publishing a substantial copy of the  
23 election order in a newspaper with general circulation in the  
24 district once a week for two consecutive weeks.

25 (b) The first publication must appear at least 35 days  
26 before the date set for election. (Acts 60th Leg., R.S., Ch. 120,  
27 Sec. 20(d) (part).)



1           Sec. 1002.203. BALLOT. The ballot for the election shall  
2 be printed to permit voting for or against the proposition: "The  
3 dissolution of the Angleton-Danbury Hospital District of Brazoria  
4 County, Texas." (Acts 60th Leg., R.S., Ch. 120, Sec. 20(d) (part).)

5           Sec. 1002.204. ELECTION RESULTS. (a) If a majority of the  
6 votes in the election favor dissolution, the board shall find that  
7 the district is dissolved.

8           (b) If a majority of the votes in the election do not favor  
9 dissolution, the board shall continue to administer the district  
10 and another election on the question of dissolution may not be held  
11 before the first anniversary of the date of the most recent election  
12 to dissolve the district. (Acts 60th Leg., R.S., Ch. 120, Sec.  
13 20(e).)

14           Sec. 1002.205. TRANSFER OR ADMINISTRATION OF  
15 ASSETS. (a) If a majority of the votes in the election held under  
16 this subchapter favor dissolution, the board shall:

17           (1) transfer the land, buildings, improvements,  
18 equipment, and other assets that belong to the district to Brazoria  
19 County or another governmental agency in Brazoria County; or

20           (2) administer the property, assets, and debts until  
21 all funds have been disposed of and all district debts have been  
22 paid or settled.

23           (b) If the board makes the transfer under Subsection (a)(1),  
24 the county or agency assumes all debts and obligations of the  
25 district at the time of the transfer, and the district is dissolved.  
26 (Acts 60th Leg., R.S., Ch. 120, Secs. 20(f), (g).)

27           Sec. 1002.206. SALE OR TRANSFER OF ASSETS AND

1 LIABILITIES. (a) Notwithstanding any other provision of this  
2 subchapter, the district may not be dissolved unless the board  
3 provides for the sale or transfer of the district's assets and  
4 liabilities to another person or entity.

5 (b) The dissolution of the district and the sale or transfer  
6 of the district's assets or liabilities may not contravene a trust  
7 indenture or bond resolution relating to the outstanding bonds of  
8 the district. The dissolution and sale or transfer does not  
9 diminish or impair the rights of a holder of an outstanding bond,  
10 warrant, or other obligation of the district.

11 (c) The sale or transfer of the district's assets and  
12 liabilities must satisfy the debt and bond obligations of the  
13 district in a manner that protects the interests of the residents of  
14 the district, including the residents' collective property rights  
15 in the district's assets. The district may not transfer or dispose  
16 of the district's assets except for due compensation unless the  
17 transfer is made to another governmental agency that serves the  
18 district and the transferred assets are to be used for the benefit  
19 of the residents of the district.

20 (d) A grant from federal funds is an obligation to be repaid  
21 in satisfaction. (Acts 60th Leg., R.S., Ch. 120, Secs. 20(m), (n).)

22 Sec. 1002.207. IMPOSITION OF TAX AND RETURN OF SURPLUS  
23 TAXES. (a) After the board finds that the district is dissolved,  
24 the board shall:

- 25 (1) determine the debt owed by the district; and  
26 (2) impose on the property included in the district's  
27 tax rolls a tax that is in proportion of the debt to the property

1 value.

2 (b) When all outstanding debts and obligations of the  
3 district are paid, the board shall order the secretary to return the  
4 pro rata share of all unused tax money to each district taxpayer.

5 (c) A taxpayer may request that the taxpayer's share of  
6 surplus tax money be credited to the taxpayer's county taxes. If a  
7 taxpayer requests the credit, the board shall direct the secretary  
8 to transmit the funds to the county tax assessor-collector. (Acts  
9 60th Leg., R.S., Ch. 120, Secs. 20(h), (i), (j).)

10 Sec. 1002.208. REPORT; DISSOLUTION ORDER. (a) After the  
11 district has paid all its debts and has disposed of all its assets  
12 and funds as prescribed by this subchapter, the board shall file a  
13 written report with the Commissioners Court of Brazoria County  
14 summarizing the board's actions in dissolving the district.

15 (b) Not later than the 10th day after the date the  
16 Commissioners Court of Brazoria County receives the report and  
17 determines that the requirements of this subchapter have been  
18 fulfilled, the commissioners court shall enter an order dissolving  
19 the district and releasing the board from any further duty or  
20 obligation. (Acts 60th Leg., R.S., Ch. 120, Secs. 20(k), (l).)

21 [Sections 1002.209-1002.250 reserved for expansion]

22 SUBCHAPTER F. DISTRICT FUNDS

23 Sec. 1002.251. DEPOSITORY. As soon as practicable after  
24 the creation election results favorably to the creation of the  
25 district, the board shall by resolution designate a bank within the  
26 county as the district's depository, and all funds of the district  
27 shall be secured in the manner provided for the security of county

1 funds. Such depository shall serve for a period of two years and  
2 until a successor has been selected. (Acts 60th Leg., R.S., Ch.  
3 120, Sec. 10.)

4 Sec. 1002.252. AUTHORITY TO BORROW MONEY;  
5 SECURITY. (a) The board may borrow money for district  
6 obligations.

7 (b) To secure a loan, the board may pledge:

8 (1) revenue of the district that is not pledged to pay  
9 the district's bonded indebtedness;

10 (2) taxes to be imposed by the district in the next  
11 12-month period that are not pledged to pay the principal of or  
12 interest on district bonds; or

13 (3) district bonds that have been authorized but not  
14 sold.

15 (c) A loan for which taxes or bonds are pledged must mature  
16 not later than the first anniversary of the date on which the loan  
17 is made. A loan for which district revenues are pledged must mature  
18 not later than the fifth anniversary of the date on which the loan  
19 is made. (Acts 60th Leg., R.S., Ch. 120, Sec. 12B.)

20 [Sections 1002.253-1002.300 reserved for expansion]

21 SUBCHAPTER G. BONDS

22 Sec. 1002.301. GENERAL OBLIGATION BONDS. (a) The board  
23 may issue and sell bonds authorized by an election in the name and  
24 on the faith and credit of the district to:

25 (1) purchase, construct, acquire, repair, or renovate  
26 buildings or improvements; and

27 (2) equip buildings or improvements for hospital

1 purposes.

2 (b) The bonds shall be sold at the time, in the manner, and  
3 under the terms determined by the board. (Acts 60th Leg., R.S., Ch.  
4 120, Sec. 12 (part).)

5 Sec. 1002.302. TAXES TO PAY GENERAL OBLIGATION  
6 BONDS. (a) The board shall impose an annual ad valorem tax in an  
7 amount sufficient to create an interest and sinking fund to pay the  
8 principal of and interest on the general obligation bonds as they  
9 mature.

10 (b) The tax required by this section together with any other  
11 tax the district imposes in any year may not exceed 75 cents on the  
12 \$100 valuation of all taxable property in the district. (Acts 60th  
13 Leg., R.S., Ch. 120, Sec. 12 (part).)

14 Sec. 1002.303. GENERAL OBLIGATION BOND ELECTION. (a) The  
15 district may issue general obligation bonds only if the bonds are  
16 authorized by a majority of the voters voting in an election held  
17 for that purpose.

18 (b) The board may call the election on its own motion. The  
19 order calling the election must specify:

- 20 (1) the date of the election;  
21 (2) the place or places where the election will be  
22 held;  
23 (3) the names of the presiding election officers;  
24 (4) the purpose for which the bonds are to be issued;  
25 (5) the amount of the bonds;  
26 (6) the maximum interest rate of the bonds; and  
27 (7) the maximum maturity of the bonds, which may not

1 exceed 40 years from the date of issuance.

2 (c) Notice of a bond election shall be given by publishing a  
3 substantial copy of the order calling the election in a newspaper of  
4 general circulation in the district as provided by Section  
5 4.003(a)(1), Election Code. (Acts 60th Leg., R.S., Ch. 120, Sec. 12  
6 (part).)

7 Sec. 1002.304. EXECUTION OF GENERAL OBLIGATION BONDS. The  
8 board president shall execute the general obligation bonds in the  
9 name of the district. The board secretary shall countersign the  
10 bonds. (Acts 60th Leg., R.S., Ch. 120, Sec. 12 (part).)

11 Sec. 1002.305. INVESTMENT OF GENERAL OBLIGATION BOND  
12 PROCEEDS. Any part of the proceeds of general obligation bonds,  
13 until they are needed for the purpose for which the bonds were  
14 issued, may be invested in securities of the United States or  
15 placed on time deposit or in certificates of deposit. (Acts 60th  
16 Leg., R.S., Ch. 120, Sec. 12 (part).)

17 Sec. 1002.306. REVENUE BONDS. (a) The board may issue  
18 revenue bonds to:

19 (1) purchase, construct, repair, renovate, or acquire  
20 buildings, sites, or improvements and equip buildings, sites, or  
21 improvements for hospitals and the hospital system; and

22 (2) establish and maintain office facilities for staff  
23 physicians under Section 1002.058.

24 (b) The bonds must be payable from and secured by a pledge of  
25 all or part of the revenues derived from the operation of the  
26 district's hospital system, including district facilities.

27 (c) Bonds issued under Subsection (a)(1) may be

1 additionally secured by a mortgage or deed of trust lien on all or  
2 part of the district property.

3 (d) Bonds issued under Subsection (a)(1) must be issued in  
4 the manner provided by Sections 264.042, 264.043, 264.046, 264.047,  
5 264.048, and 264.049, Health and Safety Code.

6 (e) Bonds issued under Subsection (a)(2) must be issued in  
7 the manner provided by Sections 264.042-264.047(a), 264.048, and  
8 264.049, Health and Safety Code. (Acts 60th Leg., R.S., Ch. 120,  
9 Secs. 12A(d), (e).)

10 [Sections 1002.307-1002.350 reserved for expansion]

11 SUBCHAPTER H. TAXES

12 Sec. 1002.351. IMPOSITION OF TAXES. (a) The board shall  
13 impose on all property subject to district taxation, for the  
14 benefit of the district, a tax at a rate not to exceed 75 cents on  
15 each \$100 assessed value of the property according to the most  
16 recent certified appraisal roll of the district.

17 (b) The board shall impose the tax to:

18 (1) meet the requirements of the district's bonds;

19 (2) provide for the district's maintenance and  
20 operating expenses;

21 (3) make improvements and additions to the district's  
22 hospitals or hospital system; and

23 (4) acquire necessary sites for hospitals or the  
24 hospital system by gift, purchase, lease, or condemnation. (Acts  
25 60th Leg., R.S., Ch. 120, Sec. 8 (part).)

26 Sec. 1002.352. TAX ASSESSOR-COLLECTOR. The board may  
27 provide for the appointment of a tax assessor-collector for the

1 district or may contract for the assessment and collection of taxes  
2 as provided by the Tax Code. (Acts 60th Leg., R.S., Ch. 120, Sec. 9  
3 (part).)

4 CHAPTER 1003. BOOKER HOSPITAL DISTRICT

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 1003.001. DEFINITIONS

7 Sec. 1003.002. AUTHORITY FOR OPERATION

8 Sec. 1003.003. POLITICAL SUBDIVISION

9 Sec. 1003.004. DISTRICT TERRITORY

10 Sec. 1003.005. CORRECTION OF INVALID PROCEDURE

11 [Sections 1003.006-1003.050 reserved for expansion]

12 SUBCHAPTER B. DISTRICT ADMINISTRATION

13 Sec. 1003.051. BOARD

14 Sec. 1003.052. TERM; ELECTION

15 Sec. 1003.053. VACANCY

16 Sec. 1003.054. OFFICERS

17 Sec. 1003.055. COMPENSATION; EXPENSES

18 Sec. 1003.056. EMPLOYEES

19 Sec. 1003.057. MAINTENANCE OF RECORDS; PUBLIC

20 INSPECTION

21 Sec. 1003.058. SEAL

22 [Sections 1003.059-1003.100 reserved for expansion]

23 SUBCHAPTER C. POWERS AND DUTIES

24 Sec. 1003.101. DISTRICT RESPONSIBILITY

25 Sec. 1003.102. LIMITATION ON CERTAIN POLITICAL

26 SUBDIVISIONS

27 Sec. 1003.103. MANAGEMENT AND CONTROL



1    Sec. 1003.104.    HOSPITAL SYSTEM  
2    Sec. 1003.105.    RULES  
3    Sec. 1003.106.    PURCHASING AND ACCOUNTING PROCEDURES  
4    Sec. 1003.107.    EMINENT DOMAIN  
5    Sec. 1003.108.    GIFTS AND ENDOWMENTS  
6    Sec. 1003.109.    PAYMENT FOR TREATMENT; PROCEDURES  
7    Sec. 1003.110.    AUTHORITY TO SUE AND BE SUED  
8                    [Sections 1003.111-1003.150 reserved for expansion]  
9                    SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
10   Sec. 1003.151.    BUDGET  
11   Sec. 1003.152.    FISCAL YEAR  
12   Sec. 1003.153.    ANNUAL AUDIT  
13   Sec. 1003.154.    DEPOSITORY  
14                    [Sections 1003.155-1003.200 reserved for expansion]  
15                    SUBCHAPTER E. BONDS  
16   Sec. 1003.201.    GENERAL OBLIGATION BONDS  
17   Sec. 1003.202.    TAXES TO PAY GENERAL OBLIGATION BONDS  
18   Sec. 1003.203.    GENERAL OBLIGATION BOND ELECTION  
19   Sec. 1003.204.    EXECUTION OF GENERAL OBLIGATION BONDS  
20   Sec. 1003.205.    REFUNDING BONDS  
21                    [Sections 1003.206-1003.250 reserved for expansion]  
22                    SUBCHAPTER F. TAXES  
23   Sec. 1003.251.    IMPOSITION OF TAXES  
24   Sec. 1003.252.    POWERS AND DUTIES OF COUNTY TAX ASSESSOR;  
25                    FEES  
26   Sec. 1003.253.    INTEREST, PENALTIES, AND DISCOUNTS  
27                    CHAPTER 1003. BOOKER HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1003.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "Director" means a member of the board.

(3) "District" means the Booker Hospital District.  
(New.)

Sec. 1003.002. AUTHORITY FOR OPERATION. The Booker Hospital District operates under the authority of Section 9, Article IX, Texas Constitution. (Acts 58th Leg., R.S., Ch. 411, Sec. 1 (part).)

Sec. 1003.003. POLITICAL SUBDIVISION. The district is a political subdivision of this state. (Acts 58th Leg., R.S., Ch. 411, Sec. 16 (part).)

Sec. 1003.004. DISTRICT TERRITORY. The district is composed of the territory described by Section 1, Chapter 411, Acts of the 58th Legislature, Regular Session, 1963. (New.)

Sec. 1003.005. CORRECTION OF INVALID PROCEDURE. If a court holds that any procedure under this chapter violates the constitution of this state or of the United States, the district by resolution may provide an alternative procedure that conforms with the constitution. (Acts 58th Leg., R.S., Ch. 411, Sec. 17 (part); Acts 63rd Leg., R.S., Ch. 541, Sec. 5 (part).)

[Sections 1003.006-1003.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1003.051. BOARD. The district is governed by a board of seven directors. (Acts 58th Leg., R.S., Ch. 411, Sec. 3(e))

1 (part).)

2 Sec. 1003.052. TERM; ELECTION. (a) Unless a four-year  
3 term is established under Section 285.081, Health and Safety Code:

4 (1) directors serve staggered terms of two years;

5 (2) three directors shall be elected in odd-numbered  
6 years and four directors shall be elected in even-numbered years;  
7 and

8 (3) a directors election shall be held on the first  
9 Saturday in May of each year to elect the appropriate number of  
10 directors.

11 (b) Directors are elected at large. (Acts 58th Leg., R.S.,  
12 Ch. 411, Secs. 3(e) (part), 3A(a).)

13 Sec. 1003.053. VACANCY. If a vacancy occurs in the office  
14 of director, the remaining directors shall appoint a director for  
15 the remainder of the unexpired term. (Acts 58th Leg., R.S., Ch.  
16 411, Sec. 3A(b).)

17 Sec. 1003.054. OFFICERS. The board shall elect a president  
18 and a secretary from among the directors to serve until the next  
19 directors election. (Acts 58th Leg., R.S., Ch. 411, Sec. 4 (part).)

20 Sec. 1003.055. COMPENSATION; EXPENSES. A director serves  
21 without compensation but may be reimbursed for actual expenses  
22 incurred in the performance of official duties on the approval of  
23 the expenses by the entire board. (Acts 58th Leg., R.S., Ch. 411,  
24 Sec. 4 (part).)

25 Sec. 1003.056. EMPLOYEES. The board may employ a general  
26 manager, attorney, financial advisor, bookkeeper, or architect.  
27 (Acts 58th Leg., R.S., Ch. 411, Sec. 7 (part).)

1           Sec. 1003.057. MAINTENANCE           OF           RECORDS;           PUBLIC  
2 INSPECTION. All district records, including books, accounts,  
3 notices, minutes, and all other matters of the district and the  
4 operation of its facilities, shall be:

5                   (1) maintained at the district office; and

6                   (2) open to public inspection at the district office  
7 at all reasonable hours. (Acts 58th Leg., R.S., Ch. 411, Sec. 7  
8 (part).)

9           Sec. 1003.058. SEAL. The board may adopt a seal for the  
10 district. (Acts 58th Leg., R.S., Ch. 411, Sec. 7 (part).)

11                   [Sections 1003.059-1003.100 reserved for expansion]

12                               SUBCHAPTER C. POWERS AND DUTIES

13           Sec. 1003.101. DISTRICT RESPONSIBILITY. The district has  
14 full responsibility for the operation of all hospital facilities  
15 for providing hospital care for the district's needy residents.  
16 (Acts 58th Leg., R.S., Ch. 411, Sec. 12 (part).)

17           Sec. 1003.102. LIMITATION           ON           CERTAIN           POLITICAL  
18 SUBDIVISIONS. A political subdivision within the district may not  
19 impose taxes or issue bonds or other obligations for hospital  
20 purposes or to provide medical care for district residents. (Acts  
21 58th Leg., R.S., Ch. 411, Sec. 12 (part).)

22           Sec. 1003.103. MANAGEMENT AND CONTROL. The board has the  
23 complete management and control of all the business of the  
24 district, including the power to negotiate and contract with any  
25 person to purchase or lease land, to construct and equip a hospital  
26 system, to operate and maintain the hospital, and to negotiate and  
27 contract with other political subdivisions of the state or private

1 individuals, associations, or corporations for those purposes.  
2 (Acts 58th Leg., R.S., Ch. 411, Sec. 4 (part).)

3 Sec. 1003.104. HOSPITAL SYSTEM. The district may  
4 establish a hospital system to provide medical and hospital care to  
5 persons residing in the district. (Acts 58th Leg., R.S., Ch. 411,  
6 Sec. 2 (part).)

7 Sec. 1003.105. RULES. (a) The board may adopt rules  
8 governing the operation of the district, including district  
9 facilities.

10 (b) On approval by the board, the rules may be published in  
11 booklet form at district expense and made available to any taxpayer  
12 on request. (Acts 58th Leg., R.S., Ch. 411, Sec. 7 (part).)

13 Sec. 1003.106. PURCHASING AND ACCOUNTING PROCEDURES. (a)  
14 The board may prescribe the method and manner of the making of  
15 purchases and expenditures by the district.

16 (b) The board shall prescribe:

17 (1) all accounting and control procedures; and

18 (2) the method of purchasing necessary supplies,  
19 materials, and equipment. (Acts 58th Leg., R.S., Ch. 411, Sec. 7  
20 (part).)

21 Sec. 1003.107. EMINENT DOMAIN. (a) The district may  
22 exercise the power of eminent domain to acquire a fee simple or  
23 other interest in any type of property, real, personal, or mixed,  
24 located in the territory of the district if the interest is  
25 necessary or convenient for the district to exercise the rights,  
26 powers, privileges, or functions conferred by this chapter.

27 (b) The district must exercise the power of eminent domain

1 in the manner provided by Chapter 21, Property Code, but the  
2 district is not required to deposit in the trial court money or bond  
3 as provided by Section 21.021(a), Property Code.

4 (c) In a condemnation proceeding brought by the district,  
5 the district is not required to:

6 (1) pay in advance or provide bond or other security  
7 for costs in the trial court;

8 (2) provide bond for the issuance of a temporary  
9 restraining order or a temporary injunction; or

10 (3) provide bond for costs or supersedeas on an appeal  
11 or writ of error. (Acts 58th Leg., R.S., Ch. 411, Sec. 9.)

12 Sec. 1003.108. GIFTS AND ENDOWMENTS. The board may accept  
13 for the district a gift or endowment to be held in trust and  
14 administered by the board for the purposes and under the  
15 directions, limitations, or other provisions prescribed in writing  
16 by the donor that are not inconsistent with the proper management  
17 and objectives of the district. (Acts 58th Leg., R.S., Ch. 411,  
18 Sec. 14.)

19 Sec. 1003.109. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
20 When a patient from the county has been admitted to a district  
21 facility, the board shall require an inquiry into the circumstances  
22 of:

23 (1) the patient; and

24 (2) the patient's relatives who are legally liable for  
25 the patient's support.

26 (b) If an agent designated by the district to handle these  
27 affairs finds that the patient or the relatives are not able to pay

1 all or part of the costs of the care and treatment in the hospital,  
2 the care and treatment shall become a charge on the district.

3 (c) If the agent finds that the patient or the patient's  
4 relatives are liable to pay for all or part of the costs of the care  
5 and treatment, an order shall be made directing the patient or the  
6 relatives to pay a specified amount per week to the treasurer for  
7 the support of the patient. The amount ordered must be  
8 proportionate to financial ability and may not exceed the actual  
9 per capita cost of maintenance.

10 (d) The district may collect the sum from the patient's  
11 estate, or from any relatives legally liable for the patient's  
12 support, in the manner provided by law for the collection of  
13 expenses of the last illness of a deceased person.

14 (e) If there is a dispute as to the ability to pay, or doubt  
15 in the mind of the district's designated agent, the board shall hear  
16 and determine the dispute or resolve the doubt, after calling  
17 witnesses, and shall make a proper order. The order may be appealed  
18 to the district court by either party to the dispute. (Acts 58th  
19 Leg., R.S., Ch. 411, Sec. 13.)

20 Sec. 1003.110. AUTHORITY TO SUE AND BE SUED. As a  
21 governmental agency, the district may sue and be sued in its own  
22 name in any court of this state. (Acts 58th Leg., R.S., Ch. 411,  
23 Sec. 16 (part).)

24 [Sections 1003.111-1003.150 reserved for expansion]

25 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

26 Sec. 1003.151. BUDGET. (a) Each year, the board shall  
27 prepare a budget showing for the following fiscal year:

1           (1) the proposed expenditures and disbursements;  
2           (2) the estimated receipts and collections; and  
3           (3) the amount of taxes required to be imposed during  
4 the year.

5           (b) The board shall hold a public hearing on the proposed  
6 budget. At least 10 days before the date of hearing, at least one  
7 notice of the hearing shall be published in a newspaper of general  
8 circulation in the county.

9           (c) Any district taxpayer is entitled to appear at the time  
10 and place designated in the notice and to be heard regarding any  
11 item shown in the proposed budget. (Acts 58th Leg., R.S., Ch. 411,  
12 Sec. 8 (part).)

13           Sec. 1003.152. FISCAL YEAR. The district's fiscal year  
14 begins on October 1 and ends on September 30. (Acts 58th Leg.,  
15 R.S., Ch. 411, Sec. 8 (part).)

16           Sec. 1003.153. ANNUAL AUDIT. (a) For each fiscal year,  
17 the board shall have an independent audit made of the district's  
18 books and records.

19           (b) Not later than December 31 each year, the audit shall be  
20 filed with the comptroller and at the district office. (Acts 58th  
21 Leg., R.S., Ch. 411, Sec. 8 (part).)

22           Sec. 1003.154. DEPOSITORY. (a) The board by resolution  
23 shall designate one or more banks in the district as the district's  
24 depository or treasurer. A designated bank serves for two years and  
25 until a successor is designated.

26           (b) All income received by the district, including tax  
27 revenue after deducting discounts and fees for assessing and



collecting the taxes, shall be deposited with the district depository and may be withdrawn only as provided by this chapter.

(c) All district funds shall be secured in the manner provided for securing county funds. (Acts 58th Leg., R.S., Ch. 411, Secs. 5 (part), 10.)

[Sections 1003.155-1003.200 reserved for expansion]

#### SUBCHAPTER E. BONDS

Sec. 1003.201. GENERAL OBLIGATION BONDS. The board may issue and sell bonds in the name and on the faith and credit of the district to:

(1) purchase, construct, acquire, repair, or renovate buildings or improvements; and

(2) equip buildings or improvements for hospital purposes. (Acts 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

Sec. 1003.202. TAXES TO PAY GENERAL OBLIGATION BONDS. (a) The board shall impose an ad valorem tax in an amount sufficient to create an interest and sinking fund to pay the principal of and interest on the general obligation bonds as they mature.

(b) The tax required by this section together with any other tax the district imposes in any year may not exceed 75 cents on each \$100 assessed value of the property according to the most recent certified tax appraisal roll of the district. (Acts 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

Sec. 1003.203. GENERAL OBLIGATION BOND ELECTION. (a) The district may issue general obligation bonds only if the bonds are authorized by a majority of the voters voting at an election held

1 for that purpose.

2 (b) The board may call an election on its own motion and must  
3 specify:

4 (1) the place or places where the election will be  
5 held;

6 (2) the presiding election officers;

7 (3) the purpose for which the bonds are to be issued;

8 (4) the amount of the bonds;

9 (5) the maximum interest rate of the bonds; and

10 (6) the maximum maturity of the bonds, which may not  
11 exceed 40 years from the date of issuance.

12 (c) Notice of a bond election shall be given by publishing a  
13 substantial copy of the order calling the election in a newspaper of  
14 general circulation in the district once a week for two consecutive  
15 weeks before the date of the election. The first publication must  
16 occur not later than the 21st day before the date set for the  
17 election.

18 (d) The district shall pay the costs of the election. (Acts  
19 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

20 Sec. 1003.204. EXECUTION OF GENERAL OBLIGATION BONDS. The  
21 board president shall execute the general obligation bonds in the  
22 name of the district. The board secretary shall countersign the  
23 bonds. (Acts 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

24 Sec. 1003.205. REFUNDING BONDS. (a) The board may,  
25 without an election, issue refunding bonds to refund outstanding  
26 bonds issued or assumed by the district.

27 (b) Subject to Subsection (c), a refunding bond may be:

1           (1) sold, with the proceeds of the refunding bonds  
2 applied to the payment of the bonds to be refunded; or

3           (2) exchanged in whole or in part for not less than a  
4 like amount of bonds to be refunded and the matured but unpaid  
5 interest on those bonds.

6           (c) The average annual interest cost on the refunding bonds,  
7 computed in accordance with recognized standard bond interest cost  
8 tables, may not exceed the average annual interest cost on the bonds  
9 to be refunded, unless the total interest cost on the refunding  
10 bonds to their maturity dates is less than the total interest cost  
11 on the bonds to be refunded.

12           (d) Any premium required to be paid, as a condition to  
13 payment in advance of the stated maturity dates, on the bonds to be  
14 refunded must be included in computing the net interest cost to the  
15 district of the refunding bonds. (Acts 58th Leg., R.S., Ch. 411,  
16 Sec. 6 (part).)

17           [Sections 1003.206-1003.250 reserved for expansion]

18                               SUBCHAPTER F. TAXES

19           Sec. 1003.251. IMPOSITION OF TAXES. (a) The board shall  
20 impose on all property subject to district taxation, for the  
21 benefit of the district, a tax at a rate not to exceed 75 cents on  
22 each \$100 assessed value of the property according to the most  
23 recent certified tax appraisal roll of the district.

24           (b) The board shall impose the tax to:

25               (1) pay the principal of and interest on, and to create  
26 an interest and sinking fund for, bonds that may have been assumed  
27 or that may be issued by the district for hospital purposes;

1           (2) provide for the operation and maintenance of the  
2 hospital or hospital system;

3           (3) make improvements and additions to the hospital  
4 system; and

5           (4) acquire necessary sites for the hospital system by  
6 purchase, lease, or condemnation. (Acts 58th Leg., R.S., Ch. 411,  
7 Sec. 5 (part).)

8           Sec. 1003.252. POWERS AND DUTIES OF COUNTY TAX ASSESSOR;  
9 FEES. (a) The county tax assessor and collector shall collect the  
10 tax imposed under this subchapter unless the board by majority vote  
11 appoints a tax assessor and collector under Section 285.041, Health  
12 and Safety Code.

13           (b) The county tax assessor and collector shall charge and  
14 deduct from payments to the district a fee for imposing the tax in  
15 an amount determined by the board not to exceed the lesser of one  
16 percent of the amount collected or \$5,000 for the fiscal year. The  
17 fees shall be deposited in the county's general fund and shall be  
18 reported as fees of the tax assessor and collector. (Acts 58th  
19 Leg., R.S., Ch. 411, Secs. 5 (part), 5(a) (part), 8 (part).)

20           Sec. 1003.253. INTEREST, PENALTIES, AND DISCOUNTS.  
21 Interest, penalties, and discounts on taxes paid to the district  
22 shall be the same as for county taxes. (Acts 58th Leg., R.S., Ch.  
23 411, Sec. 5 (part).)

24           [Chapters 1004-3000 reserved for expansion]

25           TITLE 4. DEVELOPMENT AND IMPROVEMENT

26           SUBTITLE A. AGRICULTURE

27           CHAPTER 3001. SOUTHEAST TEXAS AGRICULTURAL DEVELOPMENT

DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3001.001. DEFINITIONS

Sec. 3001.002. SOUTHEAST TEXAS AGRICULTURAL

DEVELOPMENT DISTRICT

Sec. 3001.003. PURPOSE AND NATURE OF DISTRICT

Sec. 3001.004. DISTRICT TERRITORY

Sec. 3001.005. APPLICABILITY OF AND RELATION TO OTHER LAW

[Sections 3001.006-3001.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3001.051. BOARD OF DIRECTORS

Sec. 3001.052. QUALIFICATIONS

Sec. 3001.053. TERMS

Sec. 3001.054. DIRECTOR'S BOND

Sec. 3001.055. REMOVAL; VACANCY

Sec. 3001.056. OFFICERS

Sec. 3001.057. MEETINGS

Sec. 3001.058. COMPENSATION; REIMBURSEMENT

Sec. 3001.059. CONFLICT OF INTEREST; DISCLOSURE REQUIRED

[Sections 3001.060-3001.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3001.101. GENERAL POWERS AND DUTIES

Sec. 3001.102. LIMITATION ON DISTRICT POWERS

Sec. 3001.103. EXERCISE OF POWERS OUTSIDE DISTRICT

Sec. 3001.104. IMPOSITION OF AD VALOREM TAX

PROHIBITED

Sec. 3001.105. RULEMAKING

- 1    Sec. 3001.106.    EXECUTIVE DIRECTOR; EMPLOYEES
- 2    Sec. 3001.107.    ECONOMIC DEVELOPMENT
- 3    Sec. 3001.108.    AGRICULTURAL DEVELOPMENT
- 4    Sec. 3001.109.    SUGAR MILL OR OTHER ENTERPRISE
- 5    Sec. 3001.110.    DESIGNATION OF AGRICULTURAL PROJECTS
- 6    Sec. 3001.111.    AGRICULTURAL RESEARCH
- 7    Sec. 3001.112.    TRANSPORTATION
- 8    Sec. 3001.113.    RELATIONSHIP WITH NAVIGATION DISTRICT
- 9    Sec. 3001.114.    ACQUISITION OR DISPOSITION OF PROPERTY
- 10   Sec. 3001.115.    EMINENT DOMAIN
- 11   Sec. 3001.116.    ANNEXATION AND EXCLUSION OF
- 12                      TERRITORY
- 13   Sec. 3001.117.    AGREEMENTS
- 14   Sec. 3001.118.    DONATIONS; GRANTS
- 15   Sec. 3001.119.    HEARINGS
- 16   Sec. 3001.120.    SUITS
- 17   Sec. 3001.121.    INDEMNIFICATION
- 18   Sec. 3001.122.    OFFICIAL SEAL
- 19                      [Sections 3001.123-3001.150 reserved for expansion]
- 20                      SUBCHAPTER D. FINANCES AND OBLIGATIONS
- 21   Sec. 3001.151.    POWERS AND DUTIES RELATED TO FINANCES
- 22   Sec. 3001.152.    OBLIGATIONS
- 23   Sec. 3001.153.    APPROVAL OF ASSESSMENT OBLIGATIONS
- 24                      [Sections 3001.154-3001.200 reserved for expansion]
- 25                      SUBCHAPTER E. ASSESSMENTS
- 26   Sec. 3001.201.    GENERAL POWERS RELATED TO ASSESSMENTS
- 27   Sec. 3001.202.    AREA TO BE ASSESSED; LIMITATIONS

1    Sec. 3001.203.   HEARING AND PETITION REQUIRED

2    Sec. 3001.204.   APPORTIONMENT OF COSTS

3    Sec. 3001.205.   ASSESSMENT TO FINANCE PROJECT OR SERVICE

4    Sec. 3001.206.   ASSESSMENT ROLL

5    Sec. 3001.207.   ASSESSMENT AS LIEN

6    Sec. 3001.208.   CORRECTION OF MISTAKE

7    Sec. 3001.209.   NOTICE OF HEARING ON PROPOSED ASSESSMENT

8    Sec. 3001.210.   CONDUCT OF HEARING; FINDINGS

9    Sec. 3001.211.   BOARD ORDER IMPOSING ASSESSMENT

10   Sec. 3001.212.   REHEARING

11   Sec. 3001.213.   NOTICE OF ASSESSMENT

12   Sec. 3001.214.   APPEAL TO COURT

13   Sec. 3001.215.   NEW ASSESSMENT AFTER INVALID

14                   PRIOR ASSESSMENT

15           [Sections 3001.216-3001.250 reserved for expansion]

16                   SUBCHAPTER F. DISSOLUTION

17   Sec. 3001.251.   DISSOLUTION

18                   CHAPTER 3001. SOUTHEAST TEXAS AGRICULTURAL

19                   DEVELOPMENT DISTRICT

20                   SUBCHAPTER A. GENERAL PROVISIONS

21           Sec. 3001.001.   DEFINITIONS.   In this chapter:

22                   (1) "Assessment"   includes   a   reassessment   or  
23   supplemental assessment.

24                   (2) "Board"   means   the   board   of   directors   of   the  
25   district.

26                   (3) "Director" means a board member.

27                   (4) "District" means the Southeast Texas Agricultural

1 Development District.

2 (5) "Obligation" means an obligation issued by the  
3 district under this chapter, including a bond, certificate, note,  
4 or other evidence of indebtedness.

5 (6) "Project" means an agricultural project  
6 designated under Section 3001.110. (Loc. Gov. Code, Secs.  
7 384.001(1), (2), (3), (5), (6), (7), as added Acts 76th Leg., R.S.,  
8 Ch. 1578.)

9 Sec. 3001.002. SOUTHEAST TEXAS AGRICULTURAL DEVELOPMENT  
10 DISTRICT. (a) The Southeast Texas Agricultural Development  
11 District is created as a special district.

12 (b) The board by resolution may change the district's name.  
13 (Loc. Gov. Code, Sec. 384.021, as added Acts 76th Leg., R.S., Ch.  
14 1578.)

15 Sec. 3001.003. PURPOSE AND NATURE OF DISTRICT. (a) The  
16 district is created as a conservation and reclamation district  
17 under Section 59, Article XVI, Texas Constitution, to:

18 (1) conserve and develop the natural resources of this  
19 state, including certain agricultural resources;

20 (2) conserve the soil for certain agricultural uses;

21 (3) reclaim or drain overflowed lands or provide  
22 necessary irrigation for certain natural agricultural resources;  
23 and

24 (4) provide credit, grants, or other things of value  
25 to aid persons as provided by Section 52(a), Article III, Texas  
26 Constitution.

27 (b) The district exercises public and essential



1 governmental functions.

2 (c) The creation of the district is a program essential to  
3 accomplish the purposes of Section 52-a, Article III, Texas  
4 Constitution, and other public purposes stated in this chapter.  
5 (Loc. Gov. Code, Secs. 384.022(a), (b), (d), as added Acts 76th  
6 Leg., R.S., Ch. 1578.)

7 Sec. 3001.004. DISTRICT TERRITORY. (a) The district  
8 includes all of the territory of Chambers County that is east of the  
9 center line of the Trinity River and north of the center line of the  
10 Gulf Intracoastal Waterway, other than property located inside the  
11 municipal boundaries of an incorporated municipality as of January  
12 1, 1999, as that territory may have been modified under:

13 (1) Section 3001.116, or its predecessor statute,  
14 former Section 384.052, Local Government Code; or

15 (2) other law.

16 (b) The boundaries of the district form a closure. A  
17 mistake in the description of the boundaries or in copying the  
18 description in the legislative process does not affect the  
19 district's:

20 (1) organization, existence, or validity;

21 (2) right to issue any type of bond for the purposes  
22 for which the district is created or to pay the principal of and  
23 interest on a bond;

24 (3) right to impose or collect an assessment; or

25 (4) legality or operation. (Loc. Gov. Code, Secs.  
26 384.023, 384.024, as added Acts 76th Leg., R.S., Ch. 1578; New.)

27 Sec. 3001.005. APPLICABILITY OF AND RELATION TO OTHER

1 LAW. (a) Chapter 49, Water Code, does not apply to the district.

2 (b) The district's authority under this chapter is not  
3 intended to duplicate the authority granted to the Chambers-Liberty  
4 Counties Navigation District or to limit the authority or  
5 jurisdiction of the navigation district. To the extent the laws of  
6 this chapter conflict with the laws of that navigation district,  
7 the laws of the navigation district control over this chapter.  
8 (Loc. Gov. Code, Secs. 384.022(c), 384.046(c), as added Acts 76th  
9 Leg., R.S., Ch. 1578.)

10 [Sections 3001.006-3001.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 3001.051. BOARD OF DIRECTORS. (a) The district is  
13 governed by a board of nine directors.

14 (b) The board by resolution may increase or decrease the  
15 number of directors on the board if the board determines that to do  
16 so is in the best interest of the district. The board may not have  
17 more than 15 directors. (Loc. Gov. Code, Sec. 384.081(a), as added  
18 Acts 76th Leg., R.S., Ch. 1578.)

19 Sec. 3001.052. QUALIFICATIONS. (a) To serve as a  
20 director, a person must be at least 18 years old and:

- 21 (1) reside in the district;  
22 (2) own property in the district; or  
23 (3) be an agent, employee, or tenant of a person who  
24 owns property in the district.

25 (b) At least five directors must reside in or own property  
26 in Chambers County. (Loc. Gov. Code, Sec. 384.081(b) (part), as  
27 added Acts 76th Leg., R.S., Ch. 1578.)

1           Sec. 3001.053. TERMS. The county commissioners court  
2 shall appoint the directors to serve staggered four-year terms with  
3 as near as possible to one-half of the directors' terms expiring on  
4 June 1 of each odd-numbered year. (Loc. Gov. Code, Sec. 384.081(b)  
5 (part), as added Acts 76th Leg., R.S., Ch. 1578.)

6           Sec. 3001.054. DIRECTOR'S BOND. (a) As soon as  
7 practicable after a director is appointed, the director shall  
8 execute a \$10,000 bond payable to the district and conditioned on  
9 the faithful performance of the director's duties.

10           (b) Each director's bond must be approved by the board.

11           (c) The bond shall be filed with and retained by the  
12 district. (Loc. Gov. Code, Sec. 384.088, as added Acts 76th Leg.,  
13 R.S., Ch. 1578.)

14           Sec. 3001.055. REMOVAL; VACANCY. (a) The county  
15 commissioners court may remove a director for misconduct or failure  
16 to carry out the director's duties on petition by a majority of the  
17 other directors and after notice and hearing.

18           (b) If a vacancy occurs on the board, the remaining  
19 directors shall appoint a director for the remainder of the  
20 unexpired term. (Loc. Gov. Code, Sec. 384.082, as added Acts 76th  
21 Leg., R.S., Ch. 1578.)

22           Sec. 3001.056. OFFICERS. (a) The board shall elect from  
23 its directors a president, vice president, and secretary.

24           (b) The board by rule may provide for the election of other  
25 officers. (Loc. Gov. Code, Sec. 384.081(c), as added Acts 76th  
26 Leg., R.S., Ch. 1578.)

27           Sec. 3001.057. MEETINGS. The board shall meet at least

1 once every three months and at the call of the presiding officer or  
2 a majority of the directors. (Loc. Gov. Code, Sec. 384.083, as  
3 added Acts 76th Leg., R.S., Ch. 1578.)

4 Sec. 3001.058. COMPENSATION; REIMBURSEMENT. A director  
5 serves without compensation but shall be reimbursed for a  
6 reasonable and necessary expense incurred in performing an official  
7 duty. (Loc. Gov. Code, Sec. 384.087, as added Acts 76th Leg., R.S.,  
8 Ch. 1578.)

9 Sec. 3001.059. CONFLICT OF INTEREST; DISCLOSURE  
10 REQUIRED. (a) Except as provided by this section:

11 (1) a director may participate in all board votes and  
12 decisions; and

13 (2) Chapter 171, Local Government Code, governs  
14 conflicts of interest for directors.

15 (b) Section 171.004, Local Government Code, does not apply  
16 to the district. A director who has a substantial interest in a  
17 business or charitable entity that will receive a pecuniary benefit  
18 from a board action shall file an affidavit with the board secretary  
19 declaring the interest. Another affidavit is not required if the  
20 director's interest changes.

21 (c) After the affidavit is filed, the director may  
22 participate in a discussion or vote on that action if:

23 (1) a majority of the directors have similar interests  
24 in the same entity; or

25 (2) all similar business or charitable entities in the  
26 district will receive a similar pecuniary benefit.

27 (d) A director who is an officer or employee of a public

entity may not participate in a discussion of or vote on a matter regarding a contract with the public entity.

(e) For purposes of this section, a director has a substantial interest in a charitable entity in the same manner that a person would have a substantial interest in a business entity under Section 171.002, Local Government Code. (Loc. Gov. Code, Sec. 384.089, as added Acts 76th Leg., R.S., Ch. 1578.)

[Sections 3001.060-3001.100 reserved for expansion]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3001.101. GENERAL POWERS AND DUTIES. (a) The district has the powers and duties that are necessary or desirable to carry out a power or duty expressly or implicitly granted under this chapter.

(b) The district may perform acts necessary to perform the purposes of this chapter. (Loc. Gov. Code, Secs. 384.041(a), (b), as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.102. LIMITATION ON DISTRICT POWERS. The district may not exercise a power unless it furthers the purposes of this chapter. (Loc. Gov. Code, Sec. 384.055, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.103. EXERCISE OF POWERS OUTSIDE DISTRICT. The district may exercise any of its powers outside the district territory if the board determines that there is a benefit to the district in exercising that power. (Loc. Gov. Code, Sec. 384.053, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.104. IMPOSITION OF AD VALOREM TAX PROHIBITED. The district may not impose an ad valorem tax. (Loc.

1 Gov. Code, Sec. 384.041(c), as added Acts 76th Leg., R.S., Ch.  
2 1578.)

3 Sec. 3001.105. RULEMAKING. The board may adopt rules:

4 (1) necessary or convenient to carry out district  
5 powers and duties;

6 (2) to govern its affairs;

7 (3) to preserve the public health and welfare  
8 concerning the agricultural products submitted to the district for  
9 harvesting, processing, distributing, or transporting; and

10 (4) to establish a priority on the use of district  
11 property and services, including the payment of fees. (Loc. Gov.  
12 Code, Sec. 384.084, as added Acts 76th Leg., R.S., Ch. 1578.)

13 Sec. 3001.106. EXECUTIVE DIRECTOR; EMPLOYEES. The board  
14 may employ:

15 (1) an executive director to manage the district's  
16 daily operations; and

17 (2) other persons necessary to carry out the  
18 district's duties. (Loc. Gov. Code, Sec. 384.086, as added Acts  
19 76th Leg., R.S., Ch. 1578.)

20 Sec. 3001.107. ECONOMIC DEVELOPMENT. (a) The district  
21 may encourage state economic development as provided by this  
22 chapter, including making a loan or grant of public money for the  
23 purposes of this chapter.

24 (b) The district may encourage the economic development of  
25 the district by:

26 (1) fostering the growth of enterprises based on  
27 certain types of agriculture;

1           (2) stimulating innovation in certain agricultural  
2 enterprises;

3           (3) seeking to eliminate unemployment or  
4 underemployment in the state; and

5           (4) developing or expanding transportation resources.  
6 (Loc. Gov. Code, Sec. 384.042, as added Acts 76th Leg., R.S., Ch.  
7 1578.)

8       Sec. 3001.108. AGRICULTURAL DEVELOPMENT. The district  
9 may:

10           (1) promote all agricultural enterprises, facilities,  
11 and services of the district; and

12           (2) encourage the maintenance and conservation of soil  
13 in the district. (Loc. Gov. Code, Sec. 384.043, as added Acts 76th  
14 Leg., R.S., Ch. 1578.)

15       Sec. 3001.109. SUGAR MILL OR OTHER ENTERPRISE. (a) The  
16 district may design, construct, and operate a sugar mill or other  
17 agricultural enterprise.

18           (b) The district may acquire property necessary for a sugar  
19 mill or other agricultural enterprise, including vehicles, farm  
20 equipment, other machinery, and related facilities for harvesting,  
21 processing, storing, distributing, and transporting sugar cane or  
22 other agricultural products or by-products. (Loc. Gov. Code, Sec.  
23 384.044, as added Acts 76th Leg., R.S., Ch. 1578.)

24       Sec. 3001.110. DESIGNATION OF AGRICULTURAL PROJECTS. (a)  
25 The district may designate as an agricultural project a project  
26 that relates to:

27           (1) the development of agriculture in the district and

1 surrounding areas; and

2 (2) the preservation and conservation of the soil in  
3 the district for agricultural purposes.

4 (b) A project designated under Subsection (a) is for a  
5 public purpose.

6 (c) The cost of a project, including interest during  
7 construction and the cost of issuing obligations, may be paid from  
8 any source.

9 (d) The implementation of a project is a governmental  
10 function or service for purposes of Chapter 791, Government Code.  
11 (Loc. Gov. Code, Sec. 384.045, as added Acts 76th Leg., R.S., Ch.  
12 1578.)

13 Sec. 3001.111. AGRICULTURAL RESEARCH. The district may  
14 conduct or pay for research for agricultural purposes. (Loc. Gov.  
15 Code, Sec. 384.050, as added Acts 76th Leg., R.S., Ch. 1578.)

16 Sec. 3001.112. TRANSPORTATION. The district may encourage  
17 the transportation and distribution of the district's agricultural  
18 products through the development and operation of transportation  
19 structures necessary to further the purposes of this chapter,  
20 including railroads and private roads. (Loc. Gov. Code, Sec.  
21 384.046(a), as added Acts 76th Leg., R.S., Ch. 1578.)

22 Sec. 3001.113. RELATIONSHIP WITH NAVIGATION DISTRICT. The  
23 district may cooperate and contract with the Chambers-Liberty  
24 Counties Navigation District on any area of mutual interest. (Loc.  
25 Gov. Code, Sec. 384.046(b), as added Acts 76th Leg., R.S., Ch.  
26 1578.)

27 Sec. 3001.114. ACQUISITION OR DISPOSITION OF



1 PROPERTY. The district may acquire or dispose of property in any  
2 manner, including by:

3 (1) conveyance;

4 (2) mortgage; or

5 (3) lease, as lessor or lessee. (Loc. Gov. Code, Sec.  
6 384.048, as added Acts 76th Leg., R.S., Ch. 1578.)

7 Sec. 3001.115. EMINENT DOMAIN. The district may not  
8 exercise the power of eminent domain. (Loc. Gov. Code, Sec.  
9 384.049, as added Acts 76th Leg., R.S., Ch. 1578.)

10 Sec. 3001.116. ANNEXATION AND EXCLUSION OF  
11 TERRITORY. (a) The district may annex land as provided by Section  
12 49.301 or 49.302, Water Code, except that the references in those  
13 sections related to taxes do not apply. As provided by those  
14 sections, the district may annex land that is not adjacent or  
15 contiguous to the district.

16 (b) The board may call on its own motion a hearing on the  
17 question of the exclusion of land from the district as provided by  
18 Section 49.304 or 49.307, Water Code, if:

19 (1) the district does not have outstanding  
20 obligations; and

21 (2) the proposed exclusion is practicable, just, or  
22 desirable.

23 (c) The board shall call a hearing on the exclusion of land  
24 or other property from the district as provided by Section 49.304 or  
25 49.307, Water Code, if a property owner in the district files with  
26 the board secretary a written petition requesting the hearing  
27 before the issuance of an obligation. (Loc. Gov. Code, Sec.

1 384.052, as added Acts 76th Leg., R.S., Ch. 1578.)

2 Sec. 3001.117. AGREEMENTS. (a) The district may:

3 (1) enter into an agreement with any person for any  
4 district purpose, including an agreement:

5 (A) to operate or maintain an agricultural  
6 enterprise under Sections 3001.108 and 3001.109; or

7 (B) with a municipality or county to provide law  
8 enforcement service in the district on a fee basis; and

9 (2) accept a loan from any person.

10 (b) The district, county, and any other political  
11 subdivision, without further authorization, may contract to  
12 implement a project or assist the district in providing a service  
13 authorized by this chapter. A contract under this subsection may  
14 provide:

15 (1) for payment from a district assessment or other  
16 revenue; or

17 (2) that an assessment or other revenue collected from  
18 a project, or from a person using or purchasing a commodity or  
19 service from a project, may be paid or rebated to the district.  
20 (Loc. Gov. Code, Sec. 384.047(a) (part), (b), as added Acts 76th  
21 Leg., R.S., Ch. 1578.)

22 Sec. 3001.118. DONATIONS; GRANTS. The district may accept  
23 a donation or grant from any person. (Loc. Gov. Code, Sec.  
24 384.047(a) (part), as added Acts 76th Leg., R.S., Ch. 1578.)

25 Sec. 3001.119. HEARINGS. (a) The board may conduct  
26 hearings and take evidence on any matter before the board.

27 (b) The board may appoint a hearings examiner to conduct a

1 hearing called by the board. The hearings examiner may be a  
2 district employee or director. (Loc. Gov. Code, Sec. 384.085, as  
3 added Acts 76th Leg., R.S., Ch. 1578.)

4 Sec. 3001.120. SUITS. (a) The district may sue and be  
5 sued.

6 (b) In a suit against the district, process may be served on  
7 a director or registered agent.

8 (c) The district may not be required to give a bond on an  
9 appeal or writ of error in a civil case that the district is  
10 prosecuting or defending. (Loc. Gov. Code, Secs. 384.051(a), (b),  
11 (c), as added Acts 76th Leg., R.S., Ch. 1578.)

12 Sec. 3001.121. INDEMNIFICATION. The district may  
13 indemnify a director or district employee or a former director or  
14 district employee for reasonable expenses and costs, including  
15 attorney's fees, incurred by the person in connection with a claim  
16 or charge asserted against the person if:

17 (1) the claim or charge relates to an act or omission  
18 of the person when acting in the scope of the person's board  
19 membership or district employment; and

20 (2) the person has not been found liable on the claim  
21 or guilty on the charge. (Loc. Gov. Code, Sec. 384.051(d), as added  
22 Acts 76th Leg., R.S., Ch. 1578.)

23 Sec. 3001.122. OFFICIAL SEAL. The district may adopt an  
24 official seal for the district. (Loc. Gov. Code, Sec. 384.054, as  
25 added Acts 76th Leg., R.S., Ch. 1578.)

26 [Sections 3001.123-3001.150 reserved for expansion]

27 SUBCHAPTER D. FINANCES AND OBLIGATIONS

1           Sec. 3001.151. POWERS       AND       DUTIES       RELATED       TO  
2 FINANCES. (a) The district may:

3               (1) acquire and dispose of money;

4               (2) impose a charge for using a facility or a service  
5 the district provides;

6               (3) issue an obligation as provided by this  
7 subchapter;

8               (4) borrow money;

9               (5) loan money;

10              (6) invest money under its control in an investment  
11 permitted by Chapter 2256, Government Code;

12              (7) select a depository;

13              (8) establish a system of accounts for the district;

14 and

15              (9) set the fiscal year for the district.

16           (b) The district shall endeavor to raise revenue sufficient  
17 to pay the district's debts.

18           (c) The board by rule shall establish the procedure and  
19 number of directors' signatures required to disburse or transfer  
20 district money. (Loc. Gov. Code, Sec. 384.101, as added Acts 76th  
21 Leg., R.S., Ch. 1578.)

22           Sec. 3001.152. OBLIGATIONS. (a) The district may issue  
23 any type of obligation for any district purpose. An obligation may  
24 be issued under Chapter 1371, Government Code.

25           (b) When authorizing the issuance of an obligation, the  
26 district may also authorize the later issuance of a parity or  
27 subordinate lien obligation.

(c) A district obligation must:

(1) mature not later than the 40th anniversary of the date of issuance; and

(2) state on its face that the obligation is not a state obligation.

(d) A district obligation may be payable from or secured by:

(1) any source of money, including district revenue, loans, or assessments; or

(2) a lien, pledge, mortgage, or other security interest on district revenue or property.

(e) The district may use obligation proceeds for any purpose, including to pay:

(1) into a reserve fund for debt service;

(2) for the repair or replacement of property, including buildings and equipment;

(3) interest on obligations; or

(4) for the operation of a sugar mill or other agricultural enterprise.

(f) The district may contract with an obligation holder to impose an assessment to pay for the operation of a sugar mill or other agricultural enterprise. (Loc. Gov. Code, Sec. 384.102, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.153. APPROVAL OF ASSESSMENT OBLIGATIONS. An obligation secured by an assessment may not be issued unless the district receives a written petition requesting the assessment and issuance of obligations. The petition must be signed by each owner of the property proposed for assessment. (Loc. Gov. Code, Sec.

384.103, as added Acts 76th Leg., R.S., Ch. 1578.)

[Sections 3001.154-3001.200 reserved for expansion]

SUBCHAPTER E. ASSESSMENTS

Sec. 3001.201. GENERAL POWERS RELATED TO  
ASSESSMENTS. (a) The board may impose an assessment:

- (1) for a district expense;
- (2) to finance a project or district service; or
- (3) for any other purpose authorized by this chapter.

(b) Money derived from an assessment for one purpose may not be borrowed for use for another purpose for which an assessment is imposed.

(c) The board shall establish a procedure for the distribution or use of money derived from an assessment that exceeds the amount of money necessary to accomplish the purpose for which the assessment was collected. (Loc. Gov. Code, Sec. 384.111, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.202. AREA TO BE ASSESSED; LIMITATIONS. (a) The board may impose an assessment only on property included in a petition for assessment.

(b) The owner of an improvement constructed in the district, or of land annexed to the district, after the district imposed an assessment may waive the right to notice and an assessment hearing and may agree to the imposition of the assessment on the improvement or land and payment of the assessment at an agreed rate.

(c) The district may not impose an assessment on the property of a person that provides gas, electricity, telephone, sewage, or water service to the public. (Loc. Gov. Code, Sec.

384.112, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.203. HEARING AND PETITION REQUIRED. The board may impose an assessment only if:

(1) a written petition has been filed with the board that:

(A) requests the assessment;

(B) states the specific purpose of the assessment; and

(C) is signed by each owner of the property to be assessed;

(2) two-thirds of the board votes to impose the assessment;

(3) the board provides notice of a hearing on the proposal under Section 3001.209; and

(4) the board holds a hearing on the advisability of the assessment under Section 3001.210. (Loc. Gov. Code, Sec. 384.113, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.204. APPORTIONMENT OF COSTS. (a) The board shall apportion the cost of an assessment to property according to the special benefits accruing to the property because of the project or service to be financed by the assessment. The cost may be assessed:

(1) equally by front foot or by square foot of land area;

(2) equally by acreage of land;

(3) according to the value of the property as determined by the board; or

1           (4) according to any other reasonable assessment plan  
2 that imposes a fair share of the cost on property similarly  
3 benefited.

4           (b) In making the determination under Subsection (a)(3),  
5 the board may consider the value of a structure or improvement on  
6 the property. (Loc. Gov. Code, Sec. 384.114, as added Acts 76th  
7 Leg., R.S., Ch. 1578.)

8           Sec. 3001.205. ASSESSMENT TO FINANCE PROJECT OR  
9 SERVICE. (a) If the board determines the total cost of an  
10 assessment to finance a project or service, the board shall impose  
11 the assessment against each parcel of land against which an  
12 assessment may be imposed in the district.

13           (b) The board may impose an annual assessment for a service.  
14 The amount of an annual service assessment may vary from year to  
15 year, but may not be higher than the initial assessment. (Loc. Gov.  
16 Code, Sec. 384.115, as added Acts 76th Leg., R.S., Ch. 1578.)

17           Sec. 3001.206. ASSESSMENT ROLL. (a) The board shall  
18 prepare and maintain an assessment roll showing:

19                   (1) the assessment against each property; and

20                   (2) the board's basis for the assessment.

21           (b) The board shall allow the public to inspect the  
22 assessment roll. (Loc. Gov. Code, Sec. 384.116, as added Acts 76th  
23 Leg., R.S., Ch. 1578.)

24           Sec. 3001.207. ASSESSMENT AS LIEN. (a) An assessment,  
25 including an assessment resulting from an addition or correction to  
26 the assessment roll, penalties and interest on an assessment, an  
27 assessment collection expense, and reasonable attorney's fees



1 incurred by the district in collecting an assessment are:

2 (1) a first and prior lien against the property  
3 assessed;

4 (2) superior to any other lien or claim other than a  
5 lien or claim for county, school district, or municipal ad valorem  
6 taxes; and

7 (3) the personal liability of and charge against the  
8 owners of the property, even if the owners are not named in an  
9 assessment proceeding.

10 (b) The lien is effective from the date of the order  
11 imposing the assessment until the date the assessment is paid.  
12 (Loc. Gov. Code, Sec. 384.117, as added Acts 76th Leg., R.S., Ch.  
13 1578.)

14 Sec. 3001.208. CORRECTION OF MISTAKE. After notice and  
15 hearing in the manner required for an original assessment, the  
16 board may impose an assessment to correct a mistake in the  
17 assessment that:

18 (1) relates to the total cost of the assessment; or

19 (2) covers a delinquency or collection costs. (Loc.  
20 Gov. Code, Sec. 384.118, as added Acts 76th Leg., R.S., Ch. 1578.)

21 Sec. 3001.209. NOTICE OF HEARING ON PROPOSED  
22 ASSESSMENT. (a) The board shall provide notice of a hearing for a  
23 proposed assessment in a newspaper with general circulation in  
24 Chambers County. The publication must be made not later than the  
25 30th day before the date of the hearing.

26 (b) The notice must include the:

27 (1) time and place of the hearing;

1           (2) purpose for the proposed assessment;

2           (3) estimated cost of the purpose for which the  
3 assessment is proposed, including interest during construction and  
4 associated financing costs; and

5           (4) proposed assessment method.

6           (c) Not later than the 30th day before the date of the  
7 hearing, the board shall mail written notice containing the  
8 information required by Subsection (b) to each property owner in  
9 the district that will be subject to the assessment at the current  
10 address of the owner of the property to be assessed, as reflected on  
11 the tax rolls. (Loc. Gov. Code, Sec. 384.119, as added Acts 76th  
12 Leg., R.S., Ch. 1578.)

13           Sec. 3001.210. CONDUCT OF HEARING; FINDINGS. (a) The  
14 board or hearings examiner shall hear and rule on all objections to  
15 a proposed assessment.

16           (b) A hearing on a proposed assessment may be adjourned from  
17 time to time.

18           (c) The board or hearings examiner shall make findings  
19 relating to the:

20           (1) advisability of the assessment, including the  
21 purpose of the assessment;

22           (2) estimated cost of the assessment;

23           (3) area benefited by the assessment;

24           (4) method of assessment; and

25           (5) method and time for payment of the assessment.

26           (d) If a hearings examiner conducts the hearing, the  
27 examiner shall file with the board a report on the examiner's

findings under Subsection (c). (Loc. Gov. Code, Secs. 384.120(a), (b), (c), (d), as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.211. BOARD ORDER IMPOSING ASSESSMENT. (a) After receiving or issuing the findings required by Section 3001.210(c), the board by order:

(1) shall:

(A) impose the assessment as a special assessment on the property; and

(B) specify the method of payment on the assessment; and

(2) may:

(A) amend a proposed assessment for any parcel;

(B) require an assessment to be paid in periodic installments, including interest;

(C) require an interest charge or penalty for a failure to make timely payment; or

(D) charge an amount to cover a delinquency or collection expense.

(b) If the board orders that an assessment may be paid in periodic installments, the installments must:

(1) be in amounts sufficient to meet the annual costs of the project or service for which the assessment is imposed; and

(2) continue for the number of years required to retire the indebtedness or pay for the project or service for which the assessment is imposed. (Loc. Gov. Code, Secs. 384.120(e), (f), as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.212. REHEARING. A motion for rehearing is

1 subject to Section 2001.146, Government Code, except that the  
2 property owner must file the motion for rehearing not later than the  
3 30th day after the date on which the assessment order is issued.  
4 (Loc. Gov. Code, Sec. 384.121, as added Acts 76th Leg., R.S., Ch.  
5 1578.)

6 Sec. 3001.213. NOTICE OF ASSESSMENT. Not later than the  
7 30th day after the date on which an assessment order is issued, the  
8 district shall file a notice of the assessment in the deed records  
9 of the county in which the property to be assessed is located. The  
10 notice must:

11 (1) provide a legal description of the property  
12 subject to the assessment;

13 (2) state the name of the owner of the property subject  
14 to the assessment; and

15 (3) describe how to contact the district for further  
16 information about the assessment. (Loc. Gov. Code, Sec. 384.122,  
17 as added Acts 76th Leg., R.S., Ch. 1578.)

18 Sec. 3001.214. APPEAL TO COURT. (a) A property owner  
19 against whom an assessment is imposed may appeal the assessment to a  
20 district court in the county in which the property is located in the  
21 manner provided for the appeal of a contested case under Chapter  
22 2001, Government Code.

23 (b) The owner must file the notice of appeal with the court  
24 not later than the 30th day after the date the board decision  
25 becomes final.

26 (c) The court shall review the appeal by trial de novo.  
27 (Loc. Gov. Code, Sec. 384.123, as added Acts 76th Leg., R.S., Ch.

1578.)

Sec. 3001.215. NEW ASSESSMENT AFTER INVALID PRIOR  
ASSESSMENT. If the board determines or a court holds that an  
assessment is invalid, the board may impose a new assessment in  
accordance with the procedures provided by this subchapter. (Loc.  
Gov. Code, Sec. 384.124, as added Acts 76th Leg., R.S., Ch. 1578.)

[Sections 3001.216-3001.250 reserved for expansion]

#### SUBCHAPTER F. DISSOLUTION

Sec. 3001.251. DISSOLUTION. The board may dissolve the  
district if all district debts and obligations have been  
discharged. (Loc. Gov. Code, Sec. 384.141, as added Acts 76th Leg.,  
R.S., Ch. 1578.)

[Chapters 3002-3500 reserved for expansion]

#### SUBTITLE B. DEFENSE BASE DEVELOPMENT

#### CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3501.001. DEFINITIONS

Sec. 3501.002. AUTHORITY TERRITORY

Sec. 3501.003. PURPOSE AND NATURE OF AUTHORITY

Sec. 3501.004. EXEMPTION FROM TAXATION

[Sections 3501.005-3501.050 reserved for expansion]

##### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3501.051. COMPOSITION OF BOARD

Sec. 3501.052. TERM; VACANCIES

Sec. 3501.053. OFFICERS

Sec. 3501.054. EMPLOYEES

Sec. 3501.055. RULES FOR PROCEEDINGS

[Sections 3501.056-3501.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3501.101. AUTHORITY OF BOARD

Sec. 3501.102. GENERAL POWERS AND DUTIES

Sec. 3501.103. UTILITIES

Sec. 3501.104. SECURITY FOR COSTS OR BOND NOT REQUIRED

[Sections 3501.105-3501.150 reserved for expansion]

SUBCHAPTER D. DISSOLUTION

Sec. 3501.151. LEGISLATIVE INTENT

Sec. 3501.152. DUTY TO DISSOLVE

CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3501.001. DEFINITIONS. In this chapter:

(1) "Authority" means the Lubbock Reese Redevelopment Authority.

(2) "Base property" means land described by Section 3501.002(a), including any property used in connection with or comprising the former Reese Air Force Base.

(3) "Board" means the board of directors of the authority. (Loc. Gov. Code, Secs. 396.001(1), (2), (3), 396.010 (part).)

Sec. 3501.002. AUTHORITY TERRITORY. (a) The authority's territory is that described by Section 13.10, Chapter 62, Acts of the 76th Legislature, Regular Session, 1999, enacting former Section 396.009, Local Government Code, and includes all other real property, related interests, including fee interests, perpetual and other easements, licenses, leases, and any other property used

1 in connection with or comprising Reese Air Force Base and as may be  
2 shown by instruments recorded in the real property records of  
3 Lubbock and Terry counties.

4 (b) The authority's territory does not include property  
5 conveyed by the United States before June 17, 1997, as shown by  
6 instruments recorded in the real property records of Lubbock and  
7 Terry counties. (Loc. Gov. Code, Secs. 396.002 (part), 396.010  
8 (part).)

9 Sec. 3501.003. PURPOSE AND NATURE OF AUTHORITY. (a) The  
10 purpose of the authority is to undertake projects necessary or  
11 incidental to the industrial, commercial, or business development,  
12 redevelopment, maintenance, and expansion of new and existing  
13 businesses on the property, now or formerly known as Reese Air Force  
14 Base, described in Section 3501.002(a), including the acquisition,  
15 construction, operation, maintenance, enhancement, or disposal of:

- 16 (1) roads, bridges, and rights-of-way;
- 17 (2) housing;
- 18 (3) property;
- 19 (4) police, fire, medical, cultural, educational, and  
20 research services, equipment, institutions, and resources;
- 21 (5) other community support services;
- 22 (6) flood control, water, wastewater treatment, and  
23 all other utility facilities; and
- 24 (7) other infrastructure improvements.

25 (b) The authority is a political subdivision of this state  
26 that exercises public and essential governmental functions.

27 (c) The exercise of a power this chapter grants is for a

1 public purpose and is a matter of public necessity.

2 (d) The authority is a governmental unit under Chapter 101,  
3 Civil Practice and Remedies Code. The operations of the authority  
4 are not proprietary functions for any purpose, including the  
5 application of Chapter 101, Civil Practice and Remedies Code.  
6 (Loc. Gov. Code, Secs. 396.001(6), 396.002 (part), 396.004(b), (c),  
7 (d), (e).)

8 Sec. 3501.004. EXEMPTION FROM TAXATION. The property,  
9 revenue, and income of the authority are exempt from a tax imposed  
10 by the state or a political subdivision of the state. (Loc. Gov.  
11 Code, Sec. 396.006.)

12 [Sections 3501.005-3501.050 reserved for expansion]

13 SUBCHAPTER B. BOARD OF DIRECTORS

14 Sec. 3501.051. COMPOSITION OF BOARD. The board is composed  
15 of:

16 (1) seven directors appointed by the governing body of  
17 the City of Lubbock;

18 (2) one director appointed by the commissioners court  
19 of Lubbock County; and

20 (3) one director appointed by the South Plains  
21 Association of Governments. (Loc. Gov. Code, Secs. 396.003(a)  
22 (part), (b).)

23 Sec. 3501.052. TERM; VACANCIES. (a) A director serves a  
24 term of four years. A director appointed to fill a vacancy for an  
25 unexpired term shall serve for the remainder of that term only.

26 (b) A vacancy on the board is filled in the same manner as  
27 the original appointment.



1 (c) A director may be appointed as the director's own  
2 successor for not more than one term. (Loc. Gov. Code, Secs.  
3 396.003(c), (d).)

4 Sec. 3501.053. OFFICERS. (a) The board shall elect from  
5 its membership a president and a vice president.

6 (b) The vice president shall preside in the absence of the  
7 president. (Loc. Gov. Code, Sec. 396.003(e).)

8 Sec. 3501.054. EMPLOYEES. The board may employ and  
9 compensate persons to carry out the powers and duties of the  
10 authority. (Loc. Gov. Code, Sec. 396.003(f) (part).)

11 Sec. 3501.055. RULES FOR PROCEEDINGS. The board shall  
12 adopt rules for its proceedings. (Loc. Gov. Code, Sec. 396.003(f)  
13 (part).)

14 [Sections 3501.056-3501.100 reserved for expansion]

15 SUBCHAPTER C. POWERS AND DUTIES

16 Sec. 3501.101. AUTHORITY OF BOARD. The board shall manage,  
17 control, and operate the authority. (Loc. Gov. Code, Sec.  
18 396.003(a) (part).)

19 Sec. 3501.102. GENERAL POWERS AND DUTIES. (a) The  
20 authority may accept title, on approval by and in coordination with  
21 the governor, from the United States to all or any portion of the  
22 base property.

23 (b) The authority may exercise, on approval by and in  
24 coordination with the governor, any power necessary or convenient  
25 to accomplish a purpose of this chapter, including the power to:

26 (1) sue and be sued, and plead and be impleaded, in its  
27 own name;

- 1           (2)   adopt an official seal;
- 2           (3)   adopt and enforce bylaws and rules for the conduct
- 3 of its affairs;
- 4           (4)   acquire, hold, own, and dispose of its revenue,
- 5 income, receipts, and money from any source;
- 6           (5)   select its depository;
- 7           (6)   establish its fiscal year;
- 8           (7)   adopt an annual operating budget for all major
- 9 expenditures before the beginning of the fiscal year;
- 10          (8)   establish a system of accounts for the authority;
- 11          (9)   invest its money in accordance with Chapter 2256,
- 12 Government Code;
- 13          (10)   acquire, hold, own, use, rent, lease, or dispose
- 14 of any property, including a license, patent, right, right-of-way,
- 15 easement, and other interest in property, by purchase, exchange,
- 16 gift, assignment, condemnation, lease, sale, or any other means, to
- 17 perform a duty or to exercise a power under this chapter;
- 18          (11)   manage, operate, or improve that property, to
- 19 perform a duty or to exercise a power under this chapter;
- 20          (12)   sell, assign, lease, encumber, mortgage, or
- 21 otherwise dispose of any base property, or any interest in that
- 22 property, release or relinquish any right, title, claim, lien,
- 23 interest, easement, or demand, however acquired, and,
- 24 notwithstanding any other law, conduct any transaction authorized
- 25 by this subdivision by public or private sale;
- 26          (13)   lease or rent any land, buildings, structures, or
- 27 facilities located on the base property to any person to accomplish

1 the purposes of this chapter;

2 (14) request and accept any appropriation, grant,  
3 allocation, subsidy, guarantee, aid, service, labor, material,  
4 gift, or money from any source, including the federal government,  
5 the state, a public agency, and a political subdivision;

6 (15) maintain an office;

7 (16) appoint and determine the duties, tenure,  
8 qualifications, compensation, and removal of officers, employees,  
9 agents, professional advisors, and counselors, including financial  
10 consultants, accountants, attorneys, architects, engineers,  
11 appraisers, and financing experts, as considered necessary or  
12 advisable by the board;

13 (17) borrow money as necessary to acquire, improve, or  
14 operate a facility on the base property, not to exceed the amount  
15 determined by the governing body of the City of Lubbock;

16 (18) establish, impose, and collect rents, rates,  
17 fees, and charges for its facilities and services; and

18 (19) exercise the powers Chapter 380, Local Government  
19 Code, grants to a municipality for expansion of economic  
20 development and commercial activity. (Loc. Gov. Code, Secs.  
21 396.004(a), 396.005(a) (part).)

22 Sec. 3501.103. UTILITIES. (a) As may be necessary and  
23 appropriate to accomplish the purposes for which the authority was  
24 established, the authority may exercise those powers granted to  
25 general law districts by Chapter 49, Water Code, and granted to  
26 municipal utility districts by Chapter 54, Water Code, may provide  
27 all other utility services that may be provided by an electric, gas,

1 or water utility on an immediate basis without the need for state  
2 regulatory approval, and without restriction, may delegate those  
3 powers and the provision of those services to a neighboring  
4 municipality, a municipally owned utility, a cooperative  
5 corporation, or other utility provider.

6 (b) The authority shall continue to be served by the  
7 provider, as of September 1, 1999, of electricity and related  
8 services to the authority until the authority delegates the  
9 provision of electric services under Subsection (a).

10 (c) A delegation under Subsection (a) of a power related to  
11 electric service and the provision of electric services may be made  
12 only to an electric utility provider that agrees to upgrade the  
13 electrical system infrastructure so that the authority can  
14 accomplish its purpose. The authority shall determine the criteria  
15 to be used for determining the level of infrastructure improvements  
16 necessary to encourage the expansion of economic development and  
17 commercial activity. The authority may delegate the provision of  
18 electric services without state regulatory approval.

19 (d) The authority may contract to convey the property  
20 related to the supply and distribution of electrical power in the  
21 authority's territory to an electric utility provider that requires  
22 the conveyance as a condition of making an upgrade prescribed by  
23 Subsection (c). (Loc. Gov. Code, Secs. 396.005(a) (part), (c).)

24 Sec. 3501.104. SECURITY FOR COSTS OR BOND NOT REQUIRED. In  
25 a suit, the authority may not be required to give security for costs  
26 or a supersedeas or cost bond in an appeal from a judgment. (Loc.  
27 Gov. Code, Sec. 396.005(b).)

[Sections 3501.105-3501.150 reserved for expansion]

SUBCHAPTER D. DISSOLUTION

Sec. 3501.151. LEGISLATIVE INTENT. The legislature intends that the authority be dissolved after conveyance and sale of all of the base property. (Loc. Gov. Code, Sec. 396.007(b).)

Sec. 3501.152. DUTY TO DISSOLVE. (a) The authority shall be dissolved on approval of the City of Lubbock and Lubbock County:

(1) when all the functions of the authority are performed and completed; and

(2) after all debts or obligations have been satisfied or retired with the assets of the authority.

(b) On dissolution, any remaining assets of the authority shall be conveyed or transferred to the City of Lubbock and Lubbock County in proportion to any initial contribution of money made. (Loc. Gov. Code, Secs. 396.007(a), (c).)

CHAPTER 3502. WESTWORTH VILLAGE-WHITE SETTLEMENT

REDEVELOPMENT AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3502.001. DEFINITIONS

Sec. 3502.002. WESTWORTH VILLAGE-WHITE SETTLEMENT

REDEVELOPMENT AUTHORITY

Sec. 3502.003. AUTHORITY TERRITORY

Sec. 3502.004. EXEMPTION FROM TAXATION

[Sections 3502.005-3502.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3502.051. COMPOSITION OF BOARD

Sec. 3502.052. TERM

1 Sec. 3502.053. VACANCIES

2 Sec. 3502.054. OFFICERS

3 Sec. 3502.055. EMPLOYEES

4 [Sections 3502.056-3502.100 reserved for expansion]

5 SUBCHAPTER C. AUTHORITY POWERS AND DUTIES

6 Sec. 3502.101. AUTHORITY OF BOARD

7 Sec. 3502.102. GENERAL POWERS

8 Sec. 3502.103. RECEIPT OF PROPERTY

9 Sec. 3502.104. USE OF PROPERTY

10 Sec. 3502.105. AWARDING OF CONTRACTS

11 [Sections 3502.106-3502.150 reserved for expansion]

12 SUBCHAPTER D. DISSOLUTION

13 Sec. 3502.151. LEGISLATIVE INTENT

14 Sec. 3502.152. POWER TO DISSOLVE

15 CHAPTER 3502. WESTWORTH VILLAGE-WHITE SETTLEMENT

16 REDEVELOPMENT AUTHORITY

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 3502.001. DEFINITIONS. In this chapter:

19 (1) "Authority" means the Westworth Village-White  
20 Settlement Redevelopment Authority.

21 (2) "Board" means the board of directors of the  
22 authority. (Loc. Gov. Code, Sec. 396.031.)

23 Sec. 3502.002. WESTWORTH VILLAGE-WHITE SETTLEMENT  
24 REDEVELOPMENT AUTHORITY. The authority is established as a  
25 political subdivision of this state if Westworth Village and White  
26 Settlement each:

27 (1) adopt a resolution authorizing the authority's

1 establishment; and

2 (2) appoint three members to the board. (Loc. Gov.  
3 Code, Sec. 396.032 (part).)

4 Sec. 3502.003. AUTHORITY TERRITORY. The boundaries of the  
5 authority territory are the boundaries of Westworth Village and  
6 White Settlement. (Loc. Gov. Code, Sec. 396.032 (part).)

7 Sec. 3502.004. EXEMPTION FROM TAXATION. The property,  
8 revenue, and income of the authority are exempt from all taxes  
9 imposed by the state or a political subdivision of the state. (Loc.  
10 Gov. Code, Sec. 396.036.)

11 [Sections 3502.005-3502.050 reserved for expansion]

12 SUBCHAPTER B. BOARD OF DIRECTORS

13 Sec. 3502.051. COMPOSITION OF BOARD. The board consists of  
14 six directors. The governing body of each municipality in the  
15 authority shall appoint three directors. (Loc. Gov. Code, Secs.  
16 396.033(a) (part), (b).)

17 Sec. 3502.052. TERM. A director serves a two-year term.  
18 (Loc. Gov. Code, Sec. 396.033(c).)

19 Sec. 3502.053. VACANCIES. A vacancy on the board is filled  
20 for the unexpired term in the manner provided for the original  
21 appointment. (Loc. Gov. Code, Sec. 396.033(e).)

22 Sec. 3502.054. OFFICERS. (a) The board shall select from  
23 its membership a presiding officer and an assistant presiding  
24 officer.

25 (b) The assistant presiding officer presides in the absence  
26 of the presiding officer.

27 (c) The board shall select a secretary-treasurer. The

1 secretary-treasurer is not required to be a director. (Loc. Gov.  
2 Code, Sec. 396.033(d).)

3 Sec. 3502.055. EMPLOYEES. The board may employ all persons  
4 necessary to carry out the functions of the authority. (Loc. Gov.  
5 Code, Sec. 396.033(f).)

6 [Sections 3502.056-3502.100 reserved for expansion]

7 SUBCHAPTER C. AUTHORITY POWERS AND DUTIES

8 Sec. 3502.101. AUTHORITY OF BOARD. The board shall manage,  
9 operate, and control the authority. (Loc. Gov. Code, Sec.  
10 396.033(a) (part).)

11 Sec. 3502.102. GENERAL POWERS. The authority may  
12 exercise, on approval by and in coordination with the governor, all  
13 powers necessary or appropriate to carry out the purposes of this  
14 chapter, including the power to:

15 (1) sue and be sued, and plead and be impleaded, in its  
16 own name;

17 (2) adopt an official seal;

18 (3) adopt and enforce bylaws and rules for the conduct  
19 of its affairs;

20 (4) acquire, hold, use, and dispose of its revenue,  
21 income, receipts, and money from every source;

22 (5) select its depository;

23 (6) acquire, hold, own, lease, rent, or dispose of any  
24 property or interest in property, including rights or easements, in  
25 performing duties and exercising powers under this chapter by  
26 purchase, exchange, gift, assignment, condemnation, sale, lease,  
27 or otherwise and to hold, manage, operate, or improve the property;



1           (7) sell, assign, lease, encumber, mortgage, or  
2 otherwise dispose of any property or interest in property, and  
3 release or relinquish any right, title, claim, lien, interest,  
4 easement, or demand however acquired;

5           (8) notwithstanding any other law, perform an activity  
6 authorized by Subdivision (7) by public or private sale, with or  
7 without public bidding;

8           (9) lease or rent any lands within the property and  
9 buildings, structures, or facilities located on the property from  
10 or to any person to carry out the purposes of this chapter;

11          (10) request and accept any appropriation, grant,  
12 allocation, subsidy, guaranty, aid, service, labor, material, or  
13 gift from any source, including the federal government, this state,  
14 a public agency, or a political subdivision;

15          (11) maintain an office and appoint and determine the  
16 duties, tenure, qualifications, and compensation of officers,  
17 employees, agents, and professional advisors and counselors,  
18 including financial consultants, accountants, attorneys,  
19 architects, engineers, appraisers, and financing experts, as the  
20 board considers necessary or advisable;

21          (12) borrow money;

22          (13) establish, impose, and collect rents, rates,  
23 fees, and charges for its facilities and services;

24          (14) acquire land or any interest in land within the  
25 boundaries of the authority by condemnation in the manner provided  
26 by Chapter 21, Property Code, subject to the approval of each  
27 municipality in the authority; and

1           (15) exercise the powers in Chapters 373 and 380,  
2 Local Government Code, granted to a municipality for the  
3 development of housing and expansion of economic development and  
4 commercial activity. (Loc. Gov. Code, Sec. 396.035.)

5           Sec. 3502.103. RECEIPT OF PROPERTY. The authority shall  
6 accept title, on approval by and in coordination with the governor,  
7 from the United States to all or any portion of the real property  
8 situated:

9           (1) within the boundaries of the authority, together  
10 with any improvements located on the property and personal property  
11 related to the property, commonly referred to as:

- 12                   (A) Parcel A - 18 Hole Golf Course;
- 13                   (B) Parcel B - Wherry Housing Area;
- 14                   (C) Parcel C - Kings Branch Housing Area;
- 15                   (D) Parcel D - Stables Area and Vacant Land;
- 16                   (E) Parcel E - 5 acres;
- 17                   (F) Parcel F - 18 acres; and
- 18                   (G) Parcel H - Firing Range; and

19           (2) outside the boundaries of the authority within an  
20 unincorporated area in Tarrant County, together with any  
21 improvements located on the property and personal property related  
22 to the property, commonly referred to as Parcel G - Weapons Storage  
23 Area. (Loc. Gov. Code, Sec. 396.034(a) (part).)

24           Sec. 3502.104. USE OF PROPERTY. (a) The authority shall  
25 use the property described by Section 3502.103 and all assistance  
26 available for the property from the United States and all other  
27 sources to replace and enhance the economic benefits generated for

1 the property by Carswell Air Force Base with diversified activity,  
2 including planned land uses to foster:

- 3 (1) creation of new jobs;
- 4 (2) economic development;
- 5 (3) industry;
- 6 (4) commerce;
- 7 (5) manufacturing;
- 8 (6) housing;
- 9 (7) recreation; and
- 10 (8) the construction, operation, and maintenance of
- 11 facilities, improvements, and infrastructures on the property.

12 (b) The governing body of Fort Worth must consent in writing  
13 before any use or development of land within the property commonly  
14 referred to as Parcel G may be undertaken. (Loc. Gov. Code, Secs.  
15 396.034(a) (part), (b).)

16 Sec. 3502.105. AWARDING OF CONTRACTS. (a) The board may  
17 adopt rules governing the receiving of bids and the awarding of  
18 contracts.

19 (b) A contract in the amount of more than \$15,000 for the  
20 construction of improvements or the purchase of material,  
21 machinery, equipment, supplies, or any other property, other than  
22 real property, may only be awarded on competitive bids received by  
23 the authority.

24 (c) Notice must be published in a newspaper of general  
25 circulation in the authority not later than the 16th day before the  
26 date set for receiving bids for a contract described by Subsection  
27 (b).

(d) This section does not apply to:

(1) personal or professional services; or

(2) the acquisition or sale of the property. (Loc. Gov. Code, Sec. 396.037.)

[Sections 3502.106-3502.150 reserved for expansion]

SUBCHAPTER D. DISSOLUTION

Sec. 3502.151. LEGISLATIVE INTENT. The legislature intends that the authority be dissolved after conveyance and sale of all of the property described by Section 3502.103. (Loc. Gov. Code, Sec. 396.038(a) (part).)

Sec. 3502.152. POWER TO DISSOLVE. (a) The board may dissolve the authority if:

(1) each municipality in the authority approves the dissolution; and

(2) all debts or obligations have been satisfied or retired.

(b) Any assets of the authority remaining after all debts or obligations have been satisfied shall be conveyed or transferred to the municipalities in the authority as approved by the board. (Loc. Gov. Code, Secs. 396.038(a) (part), (b).)

[Chapters 3503-3800 reserved for expansion]

SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT

CHAPTER 3801. HOUSTON DOWNTOWN MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3801.001. DEFINITIONS

Sec. 3801.002. HOUSTON DOWNTOWN MANAGEMENT DISTRICT

Sec. 3801.003. PURPOSE; DECLARATION OF INTENT

- 1    Sec. 3801.004.    FINDINGS OF BENEFIT AND PUBLIC PURPOSE
- 2    Sec. 3801.005.    DISTRICT TERRITORY
- 3    Sec. 3801.006.    ELIGIBILITY FOR REINVESTMENT ZONES
- 4    Sec. 3801.007.    APPLICABILITY OF OTHER LAW
- 5    Sec. 3801.008.    LIBERAL CONSTRUCTION OF CHAPTER
- 6                    [Sections 3801.009-3801.050 reserved for expansion]
- 7                    SUBCHAPTER B.    DISTRICT BOARD OF DIRECTORS
- 8    Sec. 3801.051.    BOARD OF DIRECTORS; TERMS
- 9    Sec. 3801.052.    APPOINTMENT OF DIRECTORS
- 10   Sec. 3801.053.    EX OFFICIO DIRECTORS
- 11                    [Sections 3801.054-3801.100 reserved for expansion]
- 12                    SUBCHAPTER C.    POWERS AND DUTIES
- 13   Sec. 3801.101.    DISTRICT POWERS
- 14   Sec. 3801.102.    RELATION TO OTHER LAW
- 15   Sec. 3801.103.    NONPROFIT CORPORATION
- 16   Sec. 3801.104.    CONTRACTS; GRANTS
- 17   Sec. 3801.105.    COMPETITIVE BIDDING
- 18   Sec. 3801.106.    APPROVAL OF CERTAIN IMPROVEMENT PROJECTS
- 19                    [Sections 3801.107-3801.150 reserved for expansion]
- 20                    SUBCHAPTER D.    FINANCIAL PROVISIONS
- 21   Sec. 3801.151.    PETITION REQUIRED FOR FINANCING SERVICES
- 22                    AND IMPROVEMENTS
- 23   Sec. 3801.152.    DISBURSEMENTS AND TRANSFERS OF MONEY
- 24   Sec. 3801.153.    AUTHORITY TO IMPOSE AD VALOREM TAXES,
- 25                    ASSESSMENTS, AND IMPACT FEES
- 26   Sec. 3801.154.    MAINTENANCE TAX
- 27   Sec. 3801.155.    ASSESSMENTS; LIENS FOR ASSESSMENTS

1 Sec. 3801.156. PROHIBITED EXEMPTIONS

2 Sec. 3801.157. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

3 Sec. 3801.158. ELECTIONS REGARDING TAXES OR BONDS

4 Sec. 3801.159. SALES AND USE TAX PROHIBITED

5 [Sections 3801.160-3801.200 reserved for expansion]

6 SUBCHAPTER E. DISSOLUTION

7 Sec. 3801.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

8 DEBT

9 CHAPTER 3801. HOUSTON DOWNTOWN MANAGEMENT DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 3801.001. DEFINITIONS. In this chapter:

12 (1) "Board" means the board of directors of the  
13 district.

14 (2) "District" means the Houston Downtown Management  
15 District. (Loc. Gov. Code, Secs. 376.003(1), (3).)

16 Sec. 3801.002. HOUSTON DOWNTOWN MANAGEMENT DISTRICT. A  
17 special district known as the "Houston Downtown Management  
18 District" is a governmental agency and political subdivision of  
19 this state. (Loc. Gov. Code, Sec. 376.001(a).)

20 Sec. 3801.003. PURPOSE; DECLARATION OF INTENT. (a) The  
21 creation of the district is essential to accomplish the purposes of  
22 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
23 Texas Constitution, and other public purposes stated in this  
24 chapter. By creating the district and in authorizing Harris  
25 County, the City of Houston, and other political subdivisions to  
26 contract with the district, the legislature has established a  
27 program to accomplish the public purposes set out in Section 52-a,

1 Article III, Texas Constitution.

2 (b) The creation of the district is necessary to promote,  
3 develop, encourage, and maintain employment, commerce,  
4 transportation, housing, tourism, recreation, the arts,  
5 entertainment, economic development, safety, and the public  
6 welfare in the downtown area of the city of Houston.

7 (c) This chapter and the creation of the district may not be  
8 interpreted to relieve Harris County or the City of Houston from  
9 providing the level of services provided as of August 28, 1995, to  
10 the area in the district or to release the county or the city from  
11 the obligations of each entity to provide services to that area.  
12 The district is created to supplement and not to supplant the county  
13 or city services provided in the area in the district. (Loc. Gov.  
14 Code, Secs. 376.001(c), 376.002.)

15 Sec. 3801.004. FINDINGS OF BENEFIT AND PUBLIC  
16 PURPOSE. (a) The district is created to serve a public use and  
17 benefit.

18 (b) All land and other property included in the district  
19 will benefit from the improvements and services to be provided by  
20 the district under powers conferred by Sections 52 and 52-a,  
21 Article III, and Section 59, Article XVI, Texas Constitution, and  
22 other powers granted under this chapter.

23 (c) The creation of the district is in the public interest  
24 and is essential to:

25 (1) further the public purposes of developing and  
26 diversifying the economy of the state;

27 (2) eliminate unemployment and underemployment; and

1           (3) develop or expand transportation and commerce.

2           (d) The district will:

3           (1) promote the health, safety, and general welfare of  
4 residents, employers, employees, visitors, and consumers in the  
5 district, and of the public;

6           (2) provide needed funding for the downtown area of  
7 the city of Houston to preserve, maintain, and enhance the economic  
8 health and vitality of the area as a community and business center;  
9 and

10           (3) promote the health, safety, welfare, and enjoyment  
11 of the public by providing pedestrian ways and by landscaping and  
12 developing certain areas in the district, which are necessary for  
13 the restoration, preservation, and enhancement of scenic and  
14 aesthetic beauty.

15           (e) Pedestrian ways along or across a street, whether at  
16 grade or above or below the surface, and street lighting, street  
17 landscaping, and street art objects are parts of and necessary  
18 components of a street and are considered to be a street or road  
19 improvement.

20           (f) The district will not act as the agent or  
21 instrumentality of any private interest even though the district  
22 will benefit many private interests as well as the public. (Loc.  
23 Gov. Code, Sec. 376.006.)

24           Sec. 3801.005. DISTRICT TERRITORY. (a) The district is  
25 composed of the territory described by Section 23.04(b), Chapter  
26 165, Acts of the 75th Legislature, Regular Session, 1997, enacting  
27 former Section 376.004, Local Government Code, and by Section 1,



Chapter 360, Acts of the 76th Legislature, Regular Session, 1999,  
as that territory may have been modified under:

(1) Subchapter J, Chapter 49, Water Code; or

(2) other law.

(b) The boundaries and field notes of the district contained  
in Section 23.04(b), Chapter 165, Acts of the 75th Legislature,  
Regular Session, 1997, enacting former Section 376.004, Local  
Government Code, and in Section 1, Chapter 360, Acts of the 76th  
Legislature, Regular Session, 1999, form a closure. A mistake in  
the field notes or in copying the field notes in the legislative  
process does not in any way affect:

(1) the district's organization, existence, and  
validity;

(2) the district's right to issue any type of bond,  
including a refunding bond, for a purpose for which the district is  
created or to pay the principal of and interest on the bond;

(3) the district's right to impose and collect an  
assessment or tax;

(4) the validity of the enlargement of the district  
under Section 1, Chapter 360, Acts of the 76th Legislature, Regular  
Session, 1999; or

(5) the legality or operation of the district or the  
board. (Loc. Gov. Code, Sec. 376.005; Acts 76th Leg., R.S., Ch.  
360, Sec. 2; New.)

Sec. 3801.006. ELIGIBILITY FOR REINVESTMENT ZONES. All or  
any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created by the

1 City of Houston under Chapter 311, Tax Code; or

2 (2) a tax abatement reinvestment zone created by the  
3 City of Houston under Chapter 312, Tax Code. (Loc. Gov. Code, Sec.  
4 376.028.)

5 Sec. 3801.007. APPLICABILITY OF OTHER LAW. Except as  
6 otherwise provided by this chapter, Chapter 375, Local Government  
7 Code, applies to the district. (Loc. Gov. Code, Sec. 376.007.)

8 Sec. 3801.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
9 chapter shall be liberally construed in conformity with the  
10 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
11 376.008.)

12 [Sections 3801.009-3801.050 reserved for expansion]

13 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

14 Sec. 3801.051. BOARD OF DIRECTORS; TERMS. The district is  
15 governed by a board of 30 directors who serve staggered terms of  
16 four years, with seven or eight directors' terms expiring June 1 of  
17 each year. (Loc. Gov. Code, Sec. 376.009(a).)

18 Sec. 3801.052. APPOINTMENT OF DIRECTORS. (a) The mayor  
19 and members of the governing body of the City of Houston shall  
20 appoint directors from persons recommended by the board.

21 (b) A person may not be appointed to the board if the  
22 appointment of that person would result in fewer than two-thirds of  
23 the directors being residents of the city of Houston. (Loc. Gov.  
24 Code, Secs. 376.010(a) (part), (b).)

25 Sec. 3801.053. EX OFFICIO DIRECTORS. (a) The following  
26 persons serve as nonvoting ex officio directors:

27 (1) the directors of the parks and recreation,

1 planning and development, public works, and civic center  
2 departments of the City of Houston;

3 (2) the chief of police of the City of Houston; and

4 (3) the general manager of the Metropolitan Transit  
5 Authority of Harris County, Texas.

6 (b) If a department described by Subsection (a) is  
7 consolidated, renamed, or changed, the board may appoint the  
8 director of the consolidated, renamed, or changed department as a  
9 nonvoting ex officio director. If a department described by  
10 Subsection (a) is abolished, the board may appoint a representative  
11 of another department of the City of Houston that performs duties  
12 comparable to those performed by the abolished department.

13 (c) The board may appoint the presiding officer of another  
14 nonprofit corporation actively involved in downtown activities in  
15 the city of Houston to serve as a nonvoting ex officio director.  
16 (Loc. Gov. Code, Sec. 376.011.)

17 [Sections 3801.054-3801.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 3801.101. DISTRICT POWERS. The district has:

20 (1) all powers necessary to accomplish the purposes  
21 for which the district was created;

22 (2) the rights, powers, privileges, authority, and  
23 functions of a district created under Chapter 375, Local Government  
24 Code;

25 (3) the powers given to a corporation under Section  
26 4B, the Development Corporation Act of 1979 (Article 5190.6,  
27 Vernon's Texas Civil Statutes), and the power to own, operate,

1 acquire, construct, lease, improve, and maintain projects, other  
2 than a domed football stadium, described by that section; and

3 (4) the powers of a housing finance corporation  
4 created under Chapter 394, Local Government Code, to provide  
5 housing or residential development projects in the district. (Loc.  
6 Gov. Code, Sec. 376.012(a) (part).)

7 Sec. 3801.102. RELATION TO OTHER LAW. This chapter  
8 prevails over a law to which Section 3801.101 refers that is in  
9 conflict with or is inconsistent with this chapter. (Loc. Gov.  
10 Code, Sec. 376.014 (part).)

11 Sec. 3801.103. NONPROFIT CORPORATION. (a) The board by  
12 resolution may authorize the creation of a nonprofit corporation to  
13 assist and act for the district in implementing a project or  
14 providing a service authorized by this chapter.

15 (b) The nonprofit corporation:

16 (1) has each power of and is considered for purposes of  
17 this chapter to be a local government corporation created under  
18 Chapter 431, Transportation Code; and

19 (2) may implement any project and provide any service  
20 authorized by this chapter.

21 (c) The board shall appoint the board of directors of the  
22 nonprofit corporation. The board of directors of the nonprofit  
23 corporation shall serve in the same manner as, for the same term as,  
24 and on the same conditions as the board of directors of a local  
25 government corporation created under Chapter 431, Transportation  
26 Code. (Loc. Gov. Code, Sec. 376.017.)

27 Sec. 3801.104. CONTRACTS; GRANTS. (a) To protect the

1 public interest, the district may contract with Harris County or  
2 the City of Houston for the county or the city to provide law  
3 enforcement services in the district for a fee.

4 (b) Harris County, the City of Houston, or another political  
5 subdivision of this state, without further authorization, may  
6 contract with the district to implement a project of the district or  
7 assist the district in providing a service authorized under this  
8 chapter. A contract under this subsection may:

9 (1) be for a period on which the parties agree;

10 (2) include terms on which the parties agree;

11 (3) be payable from taxes or any other source of  
12 revenue that may be available for that project or service; or

13 (4) provide terms under which taxes or other revenue  
14 collected at a district project or from a person using or purchasing  
15 a commodity or service at a district project may be paid or rebated  
16 to the district.

17 (c) The district may enter into a contract, lease, or other  
18 agreement with or make or accept a grant or loan to or from any  
19 person, including:

20 (1) the United States;

21 (2) this state or a state agency;

22 (3) any political subdivision of this state; and

23 (4) a public or private corporation, including a  
24 nonprofit corporation created by the board under this subchapter.

25 (d) The district may perform all acts necessary for the full  
26 exercise of the powers vested in the district on terms and for the  
27 period the board determines advisable. (Loc. Gov. Code, Sec.

1 376.026.)

2 Sec. 3801.105. COMPETITIVE BIDDING. The district may  
3 enter into a contract for more than \$10,000 for services,  
4 improvements, or the purchase of property, including materials,  
5 machinery, equipment, and supplies, only as provided by Subchapter  
6 K, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec.  
7 376.027.)

8 Sec. 3801.106. APPROVAL OF CERTAIN IMPROVEMENT  
9 PROJECTS. The district must obtain the approval of the City of  
10 Houston of the plans and specifications of any district improvement  
11 project related to the use of land owned by the City of Houston, an  
12 easement granted by the City of Houston, or a right-of-way of a  
13 street, road, or highway. (Loc. Gov. Code, Sec. 376.021.)

14 [Sections 3801.107-3801.150 reserved for expansion]

15 SUBCHAPTER D. FINANCIAL PROVISIONS

16 Sec. 3801.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
17 IMPROVEMENTS. (a) The board may not finance a service or an  
18 improvement project under this chapter unless a written petition  
19 requesting that service or improvement is filed with the board.

20 (b) The petition must be signed by:

21 (1) the owners of a majority of the assessed value of  
22 real property in the district according to the most recent  
23 certified tax appraisal roll for Harris County; or

24 (2) at least 50 owners of land in the district, if more  
25 than 50 persons own property in the district according to the most  
26 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
27 Code, Sec. 376.015.)

1           Sec. 3801.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
2 board by resolution shall establish the number of directors'  
3 signatures and the procedure required for a disbursement or  
4 transfer of the district's money. (Loc. Gov. Code, Sec. 376.018.)

5           Sec. 3801.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
6 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad  
7 valorem tax, assessment, or impact fee as provided by Chapter 375,  
8 Local Government Code, to provide an improvement or service for a  
9 project or activity the district may acquire, construct, improve,  
10 or provide under this chapter. (Loc. Gov. Code, Sec. 376.012(a)  
11 (part).)

12           Sec. 3801.154. MAINTENANCE TAX. (a) If authorized at an  
13 election held in accordance with Section 3801.158, the district may  
14 impose an annual ad valorem tax on taxable property in the district  
15 to:

16                   (1) maintain and operate the district and the  
17 improvements constructed or acquired by the district; or

18                   (2) provide services to industrial or commercial  
19 businesses, residents, or property owners.

20           (b) The board shall determine the tax rate. (Loc. Gov.  
21 Code, Sec. 376.024.)

22           Sec. 3801.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
23 The board by resolution may impose and collect an assessment for any  
24 purpose authorized by this chapter.

25           (b) An assessment, a reassessment, or an assessment  
26 resulting from an addition to or correction of the assessment roll  
27 by the district, penalties and interest on an assessment or

1 reassessment, an expense of collection, and reasonable attorney's  
2 fees incurred by the district:

3 (1) are a first and prior lien against the property  
4 assessed;

5 (2) are superior to any other lien or claim other than  
6 a lien or claim for county, school district, or municipal ad valorem  
7 taxes; and

8 (3) are the personal liability of and a charge against  
9 the owners of the property even if the owners are not named in the  
10 assessment proceeding.

11 (c) The lien is effective from the date of the board's  
12 resolution imposing the assessment until the date the assessment is  
13 paid. The board may enforce the lien in the same manner that the  
14 board may enforce an ad valorem tax lien against real property.

15 (d) The board may correct, add to, or delete assessments  
16 from its assessment rolls after notice and hearing as provided by  
17 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
18 Secs. 376.012(a) (part), 376.020.)

19 Sec. 3801.156. PROHIBITED EXEMPTIONS. A single-family  
20 residential property or a residential duplex, triplex, fourplex, or  
21 condominium may not be exempt from the imposition of a tax, an  
22 impact fee, or an assessment if the tax, impact fee, or assessment  
23 is imposed in accordance with this chapter. (Loc. Gov. Code, Sec.  
24 376.016.)

25 Sec. 3801.157. OBLIGATIONS; APPROVAL BY CITY OF  
26 HOUSTON. (a) The district may issue bonds or other obligations  
27 payable in whole or in part from ad valorem taxes, assessments,



1 impact fees, revenue, grants, or other money of the district, or any  
2 combination of those sources of money, to pay for any authorized  
3 purpose of the district, other than to finance a domed football  
4 stadium.

5 (b) In exercising the district's borrowing power, the  
6 district may issue a bond or other obligation in the form of a bond,  
7 note, certificate of participation or other instrument evidencing a  
8 proportionate interest in payments to be made by the district, or  
9 other type of obligation.

10 (c) Except as provided by Subsection (d), the district must  
11 obtain the approval of the City of Houston:

12 (1) for the issuance of a bond for each improvement  
13 project; and

14 (2) of the plans and specifications of the improvement  
15 project to be financed by the bond.

16 (d) If the district obtains the approval of the City of  
17 Houston of a capital improvements budget for a specified period not  
18 to exceed five years, the district may finance the capital  
19 improvements and issue bonds specified in the budget without  
20 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
21 376.019(a), (b), (c), (d).)

22 Sec. 3801.158. ELECTIONS REGARDING TAXES OR  
23 BONDS. (a) In addition to the elections required under  
24 Subchapter L, Chapter 375, Local Government Code, the district must  
25 hold an election in the manner provided by that subchapter to obtain  
26 voter approval before the district may:

27 (1) impose a maintenance tax; or

1           (2) issue a bond payable from ad valorem taxes or  
2 assessments.

3           (b) The board may submit multiple purposes in a single  
4 proposition at an election.

5           (c) The board may not call an election under this chapter  
6 unless a written petition requesting an election has been filed  
7 with the board. The petition must be signed by:

8           (1) the owners of a majority of the assessed value of  
9 real property in the district according to the most recent  
10 certified tax appraisal roll for Harris County; or

11           (2) at least 50 owners of land in the district, if more  
12 than 50 persons own property in the district as determined by the  
13 most recent certified tax appraisal roll for Harris County. (Loc.  
14 Gov. Code, Sec. 376.022.)

15           Sec. 3801.159. SALES AND USE TAX PROHIBITED. The district  
16 may not impose a sales and use tax. (Loc. Gov. Code, Sec.  
17 376.012(b) (part).)

18           [Sections 3801.160-3801.200 reserved for expansion]

19                           SUBCHAPTER E. DISSOLUTION

20           Sec. 3801.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
21 DEBT. Despite this section and Section 375.264, Local Government  
22 Code, the district may be dissolved as provided by Subchapter M,  
23 Chapter 375, Local Government Code, if the district has debt. If  
24 the district has debt when it is dissolved, the district shall  
25 remain in existence solely for the purpose of discharging its bonds  
26 or other obligations according to their terms. (Loc. Gov. Code,  
27 Sec. 376.025.)

CHAPTER 3802. WESTCHASE DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3802.001. DEFINITIONS

Sec. 3802.002. WESTCHASE DISTRICT

Sec. 3802.003. PURPOSE; DECLARATION OF INTENT

Sec. 3802.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

Sec. 3802.005. DISTRICT TERRITORY

Sec. 3802.006. APPLICABILITY OF OTHER LAW

Sec. 3802.007. LIBERAL CONSTRUCTION OF CHAPTER

[Sections 3802.008-3802.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3802.051. BOARD OF DIRECTORS; TERMS

Sec. 3802.052. APPOINTMENT OF DIRECTORS

Sec. 3802.053. EX OFFICIO DIRECTORS

[Sections 3802.054-3802.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3802.101. DISTRICT POWERS

Sec. 3802.102. RELATION TO OTHER LAW

Sec. 3802.103. CONTRACTS; GRANTS

Sec. 3802.104. COMPETITIVE BIDDING

Sec. 3802.105. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS

[Sections 3802.106-3802.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3802.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
IMPROVEMENTS

Sec. 3802.152. DISBURSEMENTS AND TRANSFERS OF MONEY

Sec. 3802.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,

ASSESSMENTS, AND IMPACT FEES

Sec. 3802.154. MAINTENANCE TAX

Sec. 3802.155. ASSESSMENTS; LIENS FOR ASSESSMENTS

Sec. 3802.156. TAX AND ASSESSMENT ABATEMENTS

Sec. 3802.157. PROPERTY EXEMPT FROM ASSESSMENT AND

IMPACT FEES

Sec. 3802.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

Sec. 3802.159. ELECTIONS REGARDING TAXES OR BONDS

Sec. 3802.160. SALES AND USE TAX PROHIBITED

[Sections 3802.161-3802.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3802.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

DEBT

CHAPTER 3802. WESTCHASE DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3802.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "District" means the Westchase District. (Loc. Gov. Code, Secs. 376.043(1), (3).)

Sec. 3802.002. WESTCHASE DISTRICT. A special district in Harris County known as the "Westchase District" is a governmental agency and political subdivision of this state. (Loc. Gov. Code, Sec. 376.041(a).)

Sec. 3802.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI,

1 Texas Constitution, and other public purposes stated in this  
2 chapter. By creating the district and in authorizing Harris  
3 County, the City of Houston, and other political subdivisions to  
4 contract with the district, the legislature has established a  
5 program to accomplish the public purposes set out in Section 52-a,  
6 Article III, Texas Constitution.

7 (b) The creation of the district is necessary to promote,  
8 develop, encourage, and maintain employment, commerce,  
9 transportation, housing, tourism, recreation, the arts,  
10 entertainment, economic development, safety, and the public  
11 welfare in the Westchase area of Harris County.

12 (c) This chapter and the creation of the district may not be  
13 interpreted to relieve Harris County or the City of Houston from  
14 providing the level of services provided as of August 28, 1995, to  
15 the area in the district or to release the county or the city from  
16 the obligations of each entity to provide services to that area.  
17 The district is created to supplement and not to supplant the county  
18 or city services provided in the area in the district. (Loc. Gov.  
19 Code, Secs. 376.041(c), 376.042.)

20 Sec. 3802.004. FINDINGS OF BENEFIT AND PUBLIC  
21 PURPOSE. (a) The district is created to serve a public use and  
22 benefit.

23 (b) All land and other property included in the district  
24 will benefit from the improvements and services to be provided by  
25 the district under powers conferred by Sections 52 and 52-a,  
26 Article III, and Section 59, Article XVI, Texas Constitution, and  
27 other powers granted under this chapter.

1           (c) The creation of the district is in the public interest  
2 and is essential to:

3                 (1) further the public purposes of developing and  
4 diversifying the economy of the state;

5                 (2) eliminate unemployment and underemployment; and

6                 (3) develop or expand transportation and commerce.

7           (d) The district will:

8                 (1) promote the health, safety, and general welfare of  
9 residents, employers, employees, visitors, and consumers in the  
10 district, and of the public;

11                (2) provide needed funding for the Westchase area to  
12 preserve, maintain, and enhance the economic health and vitality of  
13 the area as a community and business center; and

14                (3) promote the health, safety, welfare, and enjoyment  
15 of the public by providing pedestrian ways and by landscaping and  
16 developing certain areas in the district, which are necessary for  
17 the restoration, preservation, and enhancement of scenic and  
18 aesthetic beauty.

19           (e) Pedestrian ways along or across a street, whether at  
20 grade or above or below the surface, and street lighting, street  
21 landscaping, and street art objects are parts of and necessary  
22 components of a street and are considered to be a street or road  
23 improvement.

24           (f) The district will not act as the agent or  
25 instrumentality of any private interest even though the district  
26 will benefit many private interests as well as the public. (Loc.  
27 Gov. Code, Sec. 376.046.)

1           Sec. 3802.005. DISTRICT TERRITORY. (a) The district is  
2 composed of the territory described by Section 23.04(b), Chapter  
3 165, Acts of the 75th Legislature, Regular Session, 1997, enacting  
4 former Section 376.044, Local Government Code, as that territory  
5 may have been modified under:

6                   (1) Subchapter J, Chapter 49, Water Code; or

7                   (2) other law.

8           (b) The boundaries and field notes of the district contained  
9 in Section 23.04(b), Chapter 165, Acts of the 75th Legislature,  
10 Regular Session, 1997, enacting former Section 376.044, Local  
11 Government Code, form a closure. A mistake in the field notes or in  
12 copying the field notes in the legislative process does not affect  
13 in any way:

14                   (1) the district's organization, existence, and  
15 validity;

16                   (2) the district's right to issue any type of bond,  
17 including a refunding bond, for a purpose for which the district is  
18 created or to pay the principal of and interest on the bond;

19                   (3) the district's right to impose and collect an  
20 assessment or tax; or

21                   (4) the legality or operation of the district or the  
22 board. (Loc. Gov. Code, Sec. 376.045; New.)

23           Sec. 3802.006. APPLICABILITY OF OTHER LAW. Except as  
24 otherwise provided by this chapter, Chapter 375, Local Government  
25 Code, applies to the district. (Loc. Gov. Code, Sec. 376.047.)

26           Sec. 3802.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
27 chapter shall be liberally construed in conformity with the

findings and purposes stated in this chapter. (Loc. Gov. Code, Sec. 376.048.)

[Sections 3802.008-3802.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3802.051. BOARD OF DIRECTORS; TERMS. The district is governed by a board of 17 directors who serve staggered terms of four years, with eight or nine directors' terms expiring June 1 of each odd-numbered year. (Loc. Gov. Code, Sec. 376.049(a).)

Sec. 3802.052. APPOINTMENT OF DIRECTORS. (a) The mayor and members of the governing body of the City of Houston shall appoint directors from persons recommended by the board.

(b) The mayor and members of the governing body of the City of Houston shall appoint as directors for the positions indicated persons representing the following interests:

(1) positions 1, 11, and 12 must represent owners of multifamily rental housing with at least 200 rental units;

(2) position 2 must be a lessee of office space of at least 30,000 square feet of rentable area;

(3) positions 9 and 10 must represent owners of office facilities with at least 500 employees or a taxable value in excess of \$10 million;

(4) positions 8, 13, and 14 must represent owners of multitenant office buildings;

(5) position 15 must represent owners of multitenant retail property or major retail tenants of at least 20,000 square feet;

(6) position 16 must represent owners of temporary



lodging facilities with on-site food service;

(7) position 17 must represent owners of undeveloped property with a contiguous area of at least five acres; and

(8) positions 3, 4, 5, 6, and 7 must represent the district at large and may be filled by any person qualified to serve on the board as provided by Section 375.063, Local Government Code. (Loc. Gov. Code, Sec. 376.050 (part).)

Sec. 3802.053. EX OFFICIO DIRECTORS. The board may appoint nonvoting ex officio directors to serve on the board. (Loc. Gov. Code, Sec. 376.051.)

[Sections 3802.054-3802.100 reserved for expansion]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3802.101. DISTRICT POWERS. The district has:

(1) all powers necessary to accomplish the purposes for which the district was created;

(2) the rights, powers, privileges, authority, and functions of a district created under Chapter 375, Local Government Code; and

(3) the powers given to a corporation under Section 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes), and the power to own, operate, acquire, construct, lease, improve, and maintain projects described by that section. (Loc. Gov. Code, Sec. 376.052(a) (part).)

Sec. 3802.102. RELATION TO OTHER LAW. This chapter prevails over a law to which Section 3802.101 or 3802.156 refers that is in conflict with or is inconsistent with this chapter. (Loc. Gov. Code, Sec. 376.054 (part).)

1           Sec. 3802.103. CONTRACTS; GRANTS. (a) To protect the  
2 public interest, the district may contract with Harris County or  
3 the City of Houston for the county or the city to provide law  
4 enforcement services in the district for a fee.

5           (b) Harris County, the City of Houston, or another political  
6 subdivision of this state, without further authorization, may  
7 contract with the district to implement a project of the district or  
8 assist the district in providing the services authorized under this  
9 chapter. A contract under this subsection may:

- 10                   (1) be for a period on which the parties agree;  
11                   (2) include terms on which the parties agree;  
12                   (3) be payable from taxes or any other source of  
13 revenue that may be available for that project or service; or  
14                   (4) provide terms under which taxes or other revenue  
15 collected at a district project or from a person using or purchasing  
16 a commodity or service at a district project may be paid or rebated  
17 to the district.

18           (c) The district may enter into a contract, lease, or other  
19 agreement with or make or accept a grant or loan to or from any  
20 person, including:

- 21                   (1) the United States;  
22                   (2) this state or a state agency;  
23                   (3) any political subdivision of this state; and  
24                   (4) a public or private corporation, including a  
25 nonprofit corporation created by the board under other law.

26           (d) The district may perform all acts necessary for the full  
27 exercise of the powers vested in the district on terms and for the

period the board determines advisable. (Loc. Gov. Code, Sec. 376.064.)

Sec. 3802.104. COMPETITIVE BIDDING. The district may enter into a contract for more than \$10,000 for services, improvements, or the purchase of property, including materials, machinery, equipment, and supplies, only as provided by Subchapter K, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec. 376.065.)

Sec. 3802.105. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS. The district must obtain the City of Houston's approval of the plans and specifications of any district improvement project related to the use of land owned by the City of Houston, an easement granted by the City of Houston, or a right-of-way of a street, road, or highway. (Loc. Gov. Code, Sec. 376.059.)

[Sections 3802.106-3802.150 reserved for expansion]

#### SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3802.151. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS. The board may not finance a service or an improvement project under this chapter unless a written petition requesting that service or improvement has been filed with the board. The petition must be signed by:

(1) the owners of a majority of the assessed value of real property in the district according to the most recent certified tax appraisal roll for Harris County; or

(2) at least 50 owners of property in the district, if more than 50 persons own property in the district according to the most recent certified tax appraisal roll for Harris County. (Loc.

Gov. Code, Sec. 376.055.)

Sec. 3802.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money. (Loc. Gov. Code, Sec. 376.056.)

Sec. 3802.153. AUTHORITY TO IMPOSE AD VALOREM TAXES, ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem tax, assessment, or impact fee as provided by Chapter 375, Local Government Code, to provide an improvement or service for a project or activity the district may acquire, construct, improve, or provide under this chapter. (Loc. Gov. Code, Sec. 376.052(a) (part).)

Sec. 3802.154. MAINTENANCE TAX. (a) If authorized at an election held in accordance with Section 3802.159, the district may impose an annual ad valorem tax on taxable property in the district to:

(1) maintain and operate the district and the improvements constructed or acquired by the district; or

(2) provide services to industrial or commercial businesses, residents, or property owners.

(b) The board shall determine the tax rate. (Loc. Gov. Code, Sec. 376.062.)

Sec. 3802.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll

1 by the district, penalties and interest on an assessment or  
2 reassessment, an expense of collection, and reasonable attorney's  
3 fees incurred by the district:

4 (1) are a first and prior lien against the property  
5 assessed;

6 (2) are superior to any other lien or claim other than  
7 a lien or claim for county, school district, or municipal ad valorem  
8 taxes; and

9 (3) are the personal liability of and a charge against  
10 the owners of the property even if the owners are not named in the  
11 assessment proceeding.

12 (c) The lien is effective from the date of the board's  
13 resolution imposing the assessment until the date the assessment is  
14 paid. The board may enforce the lien in the same manner that the  
15 board may enforce an ad valorem tax lien against real property.

16 (d) The board may correct, add to, or delete assessments  
17 from its assessment rolls after notice and hearing as provided by  
18 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
19 Secs. 376.052(a) (part), 376.058(a), (b), (c).)

20 Sec. 3802.156. TAX AND ASSESSMENT ABATEMENTS. Without  
21 additional procedures, the district may grant, consistent with  
22 Chapter 312, Tax Code, an abatement for a tax or assessment owed to  
23 the district. (Loc. Gov. Code, Sec. 376.052(a) (part).)

24 Sec. 3802.157. PROPERTY EXEMPT FROM ASSESSMENT AND IMPACT  
25 FEES. The district may not impose an assessment or impact fee on  
26 the property, equipment, or facilities of:

27 (1) an electric utility, as defined by Section 31.002,

1 Utilities Code; or

2 (2) a public utility, as defined by Section 51.002,  
3 Utilities Code. (Loc. Gov. Code, Secs. 376.058(d), 376.061(b).)

4 Sec. 3802.158. OBLIGATIONS; APPROVAL BY CITY OF  
5 HOUSTON. (a) The district may issue bonds or other obligations  
6 payable in whole or in part from ad valorem taxes, assessments,  
7 impact fees, revenue, grants, or other money of the district, or any  
8 combination of those sources of money, to pay for any authorized  
9 purpose of the district.

10 (b) In exercising the district's borrowing power, the  
11 district may issue a bond or other obligation in the form of a bond,  
12 note, certificate of participation or other instrument evidencing a  
13 proportionate interest in payments to be made by the district, or  
14 other type of obligation.

15 (c) Except as provided by Subsection (d), the district must  
16 obtain the approval of the City of Houston:

17 (1) for the issuance of a bond for each improvement  
18 project; and

19 (2) of the plans and specifications of the improvement  
20 project to be financed by the bond.

21 (d) If the district obtains the approval of the City of  
22 Houston of a capital improvements budget for a specified period not  
23 to exceed five years, the district may finance the capital  
24 improvements and issue bonds specified in the budget without  
25 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
26 376.057(a), (b), (c), (d).)

27 Sec. 3802.159. ELECTIONS REGARDING TAXES OR

1 BONDS. (a) In addition to the elections required under  
2 Subchapter L, Chapter 375, Local Government Code, the district must  
3 hold an election in the manner provided by that subchapter to obtain  
4 voter approval before the district may:

5 (1) impose a maintenance tax; or

6 (2) issue a bond payable from ad valorem taxes or  
7 assessments.

8 (b) The board may submit multiple purposes in a single  
9 proposition at an election.

10 (c) The board may not call an election under this chapter  
11 unless a written petition requesting an election has been filed  
12 with the board. The petition must be signed by:

13 (1) the owners of a majority of the assessed value of  
14 real property in the district according to the most recent  
15 certified tax appraisal roll for Harris County; or

16 (2) at least 50 persons who own property in the  
17 district, if there are more than 50 persons who own property in the  
18 district according to the most recent certified tax appraisal roll  
19 for Harris County. (Loc. Gov. Code, Sec. 376.060.)

20 Sec. 3802.160. SALES AND USE TAX PROHIBITED. The district  
21 may not impose a sales and use tax. (Loc. Gov. Code, Sec.  
22 376.052(b) (part).)

23 [Sections 3802.161-3802.200 reserved for expansion]

24 SUBCHAPTER E. DISSOLUTION

25 Sec. 3802.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
26 DEBT. Despite this section and Section 375.264, Local Government  
27 Code, the district may be dissolved as provided by Subchapter M,

Chapter 375, Local Government Code, if the district has debt. If the district has debt when it is dissolved, the district shall remain in existence solely for the purpose of discharging its bonds or other obligations according to their terms. (Loc. Gov. Code, Sec. 376.063.)

CHAPTER 3803. GREATER GREENSPPOINT MANAGEMENT DISTRICT  
OF HARRIS COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3803.001. DEFINITIONS

Sec. 3803.002. GREATER GREENSPPOINT MANAGEMENT  
DISTRICT OF HARRIS COUNTY

Sec. 3803.003. PURPOSE; DECLARATION OF INTENT

Sec. 3803.004. FINDINGS OF BENEFIT AND PUBLIC  
PURPOSE

Sec. 3803.005. DISTRICT TERRITORY

Sec. 3803.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE  
ZONES

Sec. 3803.007. FORECLOSURE OF PREEXISTING TAX LIEN  
ON PROPERTY OWNED BY DISTRICT  
PROHIBITED

Sec. 3803.008. RELATION TO OTHER LAW

Sec. 3803.009. LIBERAL CONSTRUCTION OF CHAPTER

[Sections 3803.010-3803.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3803.051. BOARD OF DIRECTORS; TERMS

Sec. 3803.052. APPOINTMENT OF DIRECTORS

[Sections 3803.053-3803.100 reserved for expansion]



SUBCHAPTER C. POWERS AND DUTIES

Sec. 3803.101. DISTRICT POWERS

Sec. 3803.102. NONPROFIT CORPORATION

Sec. 3803.103. CONTRACTS; GRANTS

Sec. 3803.104. MEMBERSHIP IN CHARITABLE ORGANIZATIONS

[Sections 3803.105-3803.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3803.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
IMPROVEMENTS

Sec. 3803.152. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
ASSESSMENTS, AND IMPACT FEES

Sec. 3803.153. MAINTENANCE TAX

Sec. 3803.154. ASSESSMENTS; LIENS FOR ASSESSMENTS

Sec. 3803.155. TAX AND ASSESSMENT ABATEMENTS

Sec. 3803.156. PROPERTY EXEMPT FROM ASSESSMENT AND  
IMPACT FEES

Sec. 3803.157. OBLIGATIONS

Sec. 3803.158. ELECTIONS REGARDING TAXES OR  
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Sec. 3803.159. SALES AND USE TAX PROHIBITED

CHAPTER 3803. GREATER GREENSPPOINT MANAGEMENT DISTRICT  
OF HARRIS COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3803.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the  
district.

(2) "District" means the Greater Greenspoint

1 Management District of Harris County. (Loc. Gov. Code, Secs.  
2 376.083(1), (3).)

3 Sec. 3803.002. GREATER GREENSPPOINT MANAGEMENT DISTRICT OF  
4 HARRIS COUNTY. A special district known as the "Greater  
5 Greenspoint Management District of Harris County" is a governmental  
6 agency and political subdivision of this state. (Loc. Gov. Code,  
7 Sec. 376.081(a).)

8 Sec. 3803.003. PURPOSE; DECLARATION OF INTENT. (a) The  
9 creation of the district is essential to accomplish the purposes of  
10 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
11 Texas Constitution, and to other public purposes stated in this  
12 chapter. By creating the district and in authorizing Harris  
13 County, the City of Houston, and other political subdivisions to  
14 contract with the district, the legislature has established a  
15 program to accomplish the public purposes set out in Section 52-a,  
16 Article III, Texas Constitution.

17 (b) The creation of the district is necessary to promote,  
18 develop, encourage, and maintain employment, commerce, economic  
19 development, the public welfare, transportation, housing, tourism,  
20 convention and convocation activities, recreation, the arts,  
21 entertainment, and safety in the greater Greenspoint area of Harris  
22 County.

23 (c) This chapter and the creation of the district may not be  
24 interpreted to relieve Harris County or the City of Houston from  
25 providing the level of services provided as of August 26, 1991, to  
26 the area in the district or to release the county or the city from  
27 the obligations of each entity to provide services to that area.

1 The district is created to supplement and not to supplant the county  
2 or city services in the area in the district. (Loc. Gov. Code,  
3 Secs. 376.081(c), 376.082.)

4 Sec. 3803.004. FINDINGS OF BENEFIT AND PUBLIC  
5 PURPOSE. (a) The district is created to serve a public use and  
6 benefit.

7 (b) All land and other property included in the district  
8 will benefit from the improvements and services to be provided by  
9 the district under powers conferred by Sections 52 and 52-a,  
10 Article III, and Section 59, Article XVI, Texas Constitution, and  
11 other powers granted under this chapter.

12 (c) The creation of the district is in the public interest  
13 and is essential to:

14 (1) further the public purposes of developing and  
15 diversifying the economy of the state;

16 (2) eliminate unemployment and underemployment; and

17 (3) develop or expand transportation and commerce.

18 (d) The district will:

19 (1) promote the health, safety, and general welfare of  
20 residents, employers, employees, and consumers in the district, and  
21 of the public;

22 (2) provide needed funding for the greater Greenspoint  
23 area to preserve, maintain, and enhance the economic health and  
24 vitality of the area as a community and business center; and

25 (3) promote the health, safety, welfare, and enjoyment  
26 of the public by providing pedestrian ways and by landscaping and  
27 developing certain areas in the district, which are necessary for

1 the restoration, preservation, and enhancement of scenic and  
2 aesthetic beauty.

3 (e) Pedestrian ways along or across a street, whether at  
4 grade or above or below the surface, and street lighting, street  
5 landscaping, and street art objects are parts of and necessary  
6 components of a street and are considered to be a street or road  
7 improvement.

8 (f) The district will not act as the agent or  
9 instrumentality of any private interest even though the district  
10 will benefit many private interests as well as the public. (Loc.  
11 Gov. Code, Sec. 376.086.)

12 Sec. 3803.005. DISTRICT TERRITORY. (a) The district is  
13 composed of the territory described by Section 23.04(b), Chapter  
14 165, Acts of the 75th Legislature, Regular Session, 1997, enacting  
15 former Section 376.084, Local Government Code, as that territory  
16 may have been modified under:

17 (1) Subchapter J, Chapter 49, Water Code; or

18 (2) other law.

19 (b) The boundaries and field notes of the district contained  
20 in Section 23.04(b), Chapter 165, Acts of the 75th Legislature,  
21 Regular Session, 1997, enacting former Section 376.084, Local  
22 Government Code, form a closure. A mistake in the field notes or in  
23 copying the field notes in the legislative process does not in any  
24 way affect:

25 (1) the district's organization, existence, and  
26 validity;

27 (2) the district's right to issue any type of bond,

1 including a refunding bond, for a purpose for which the district is  
2 created or to pay the principal of and interest on the bond;

3 (3) the district's right to impose and collect an  
4 assessment or tax; or

5 (4) the legality or operation of the district or the  
6 board. (Loc. Gov. Code, Sec. 376.085; New.)

7 Sec. 3803.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE  
8 ZONES. (a) All or any part of the area of the district is  
9 eligible, regardless of other statutory criteria, to be included  
10 in:

11 (1) a tax increment reinvestment zone created by the  
12 City of Houston under Chapter 311, Tax Code; or

13 (2) a tax abatement reinvestment zone created by the  
14 City of Houston under Chapter 312, Tax Code.

15 (b) All or any part of the area of the district is eligible  
16 to be nominated for inclusion in an enterprise zone by the City of  
17 Houston under Chapter 2303, Government Code. (Loc. Gov. Code, Sec.  
18 376.102.)

19 Sec. 3803.007. FORECLOSURE OF PREEXISTING TAX LIEN ON  
20 PROPERTY OWNED BY DISTRICT PROHIBITED. Regardless of the manner in  
21 which or the price for which the district obtains title to real  
22 property, a political subdivision or taxing authority may not  
23 foreclose a tax lien or otherwise pursue unpaid taxes on the  
24 property against the district or any successor in title to the  
25 district that is a political subdivision of this state if the lien  
26 or taxes accrued before the district's ownership of the property.  
27 (Loc. Gov. Code, Sec. 376.103.)

1           Sec. 3803.008. RELATION TO OTHER LAW. This chapter  
2 prevails over a law to which this chapter refers that is in conflict  
3 with or is inconsistent with this chapter. (Loc. Gov. Code, Sec.  
4 376.091 (part).)

5           Sec. 3803.009. LIBERAL CONSTRUCTION OF CHAPTER. This  
6 chapter shall be liberally construed in conformity with the  
7 legislative findings and purposes stated in this chapter. (Loc.  
8 Gov. Code, Sec. 376.087.)

9           [Sections 3803.010-3803.050 reserved for expansion]

10                   SUBCHAPTER B. BOARD OF DIRECTORS

11           Sec. 3803.051. BOARD OF DIRECTORS; TERMS. The district is  
12 governed by a board of 22 directors who serve staggered terms of  
13 four years, with 11 directors' terms expiring June 1 of each  
14 odd-numbered year. (Loc. Gov. Code, Sec. 376.088.)

15           Sec. 3803.052. APPOINTMENT OF DIRECTORS. Subchapter D,  
16 Chapter 375, Local Government Code, governs the appointment and  
17 qualification of directors. (Loc. Gov. Code, Sec. 376.089(b).)

18           [Sections 3803.053-3803.100 reserved for expansion]

19                   SUBCHAPTER C. POWERS AND DUTIES

20           Sec. 3803.101. DISTRICT POWERS. The district has:

21                   (1) all powers necessary to accomplish the purposes  
22 for which the district was created;

23                   (2) the rights, powers, privileges, and authority of a  
24 district created under Chapter 375, Local Government Code;

25                   (3) the powers given to a corporation created under  
26 the Development Corporation Act of 1979 (Article 5190.6, Vernon's  
27 Texas Civil Statutes), including:

1           (A) the power to own, operate, acquire,  
2 construct, lease, improve, and maintain the projects described by  
3 that Act and this chapter and any other authorized project; and

4           (B) the power to acquire land and other property  
5 in accordance with Section 4B, Development Corporation Act of 1979  
6 (Article 5190.6, Vernon's Texas Civil Statutes); and

7           (4) the power to create, tax, assess, and hold  
8 elections in a defined area under Chapter 54, Water Code, to provide  
9 improvements or services in the defined area for any project or  
10 activity the district is authorized to acquire, construct, improve,  
11 or provide. (Loc. Gov. Code, Sec. 376.090(a) (part).)

12       Sec. 3803.102. NONPROFIT CORPORATION. (a) The board by  
13 resolution may authorize the creation of a nonprofit corporation to  
14 assist and act for the district in implementing a project,  
15 providing residential housing, or providing a service authorized by  
16 this chapter.

17       (b) The nonprofit corporation:

18           (1) has each power of and is considered for all  
19 purposes to be a local government corporation created under Chapter  
20 431, Transportation Code; and

21           (2) may implement any project and provide any service  
22 authorized by this chapter.

23       (c) The board shall appoint the board of directors of the  
24 nonprofit corporation. The board of directors of the nonprofit  
25 corporation shall serve in the same manner as, for the same term as,  
26 and on the conditions of the board of directors of a local  
27 government corporation created under Chapter 431, Transportation

1 Code.

2 (d) The nonprofit corporation may be dissolved as provided  
3 by Chapter 431, Transportation Code, for a corporation created  
4 under that chapter. (Loc. Gov. Code, Sec. 376.093.)

5 Sec. 3803.103. CONTRACTS; GRANTS. (a) To protect the  
6 public interest, the district may contract with any county or  
7 municipality in which all or part of the district is located for the  
8 county or municipality to provide law enforcement services in the  
9 district for a fee.

10 (b) Harris County, the City of Houston, or another political  
11 subdivision of this state, without further authorization, may  
12 contract with the district to implement a project of the district or  
13 to assist the district in providing an authorized service. A  
14 contract under this subsection may:

- 15 (1) be for a period on which the parties agree;  
16 (2) include terms on which the parties agree;  
17 (3) be payable from taxes or any other source of  
18 revenue that may be available for the project or service; and  
19 (4) provide terms under which taxes or other revenue  
20 collected at a district project, at a project in a tax increment  
21 reinvestment zone, or from a person using or purchasing a commodity  
22 or service at a district project may be paid or rebated to the  
23 district.

24 (c) The district may enter into a contract, lease, or other  
25 agreement with or make or accept a grant or loan to or from any  
26 person, including:

- 27 (1) the United States;



1           (2) this state or a state agency;

2           (3) any political subdivision of this state; or

3           (4) a public or private corporation, including a  
4 nonprofit corporation created by the board under this subchapter.

5           (d) The district may perform all acts necessary for the full  
6 exercise of the powers vested in the district on terms and for the  
7 period the board determines advisable. (Loc. Gov. Code, Sec.  
8 376.100.)

9           Sec. 3803.104. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. (a)  
10 The district may:

11           (1) join and pay dues to an organization that  
12 qualifies for an exemption from federal income taxation under  
13 Section 501(a), Internal Revenue Code of 1986, by being listed as an  
14 exempt organization under Section 501(c)(3), 501(c)(4), or  
15 501(c)(6) of that code; and

16           (2) perform services or provide activities consistent  
17 with the furtherance of the purposes of the district.

18           (b) An expenditure of public money for membership in an  
19 organization described by Subsection (a) is considered to further  
20 the purposes of the district and to be for a public purpose. (Loc.  
21 Gov. Code, Sec. 376.101.)

22           [Sections 3803.105-3803.150 reserved for expansion]

23           SUBCHAPTER D. FINANCIAL PROVISIONS

24           Sec. 3803.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
25 IMPROVEMENTS. (a) The board may not finance a service or an  
26 improvement project under this chapter unless a written petition  
27 requesting the service or improvement is filed with the board.

(b) The petition must be signed by:

(1) the owners of a majority of the assessed value of real property in the district according to the most recent certified tax appraisal roll for Harris County; or

(2) at least 50 owners of land in the district, if more than 50 persons own land in the district according to the most recent certified tax appraisal roll for Harris County. (Loc. Gov. Code, Sec. 376.092.)

Sec. 3803.152. AUTHORITY TO IMPOSE AD VALOREM TAXES, ASSESSMENTS, AND IMPACT FEES. The district may, except as provided by Section 3803.156, impose an ad valorem tax, assessment, or impact fee as provided by Chapter 375, Local Government Code, to provide an improvement or service for a project or activity the district may acquire, construct, improve, or provide under this chapter. (Loc. Gov. Code, Sec. 376.090(a) (part).)

Sec. 3803.153. MAINTENANCE TAX. (a) If authorized at an election held in accordance with Section 3803.158, the district may impose an annual ad valorem tax on taxable property in the district to:

(1) maintain and operate the district and the improvements constructed or acquired by the district; and

(2) provide services to industrial or commercial businesses, residents, or property owners.

(b) The board shall determine the tax rate. (Loc. Gov. Code, Sec. 376.097.)

Sec. 3803.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The district may correct, add to, or delete an assessment from its

1 assessment rolls and collect an assessment due under the  
2 correction, addition, or deletion after notice and hearing in the  
3 manner required by Section 375.115, Local Government Code.

4 (b) An assessment, a reassessment, or an assessment  
5 resulting from an addition to or correction of the assessment roll  
6 by the district, penalties and interest on an assessment or  
7 reassessment, an expense of collection, and reasonable attorney's  
8 fees incurred by the district:

9 (1) are a first and prior lien against the property  
10 assessed;

11 (2) are superior to any other lien or claim other than  
12 a lien or claim for county, school district, or municipal ad valorem  
13 taxes; and

14 (3) are the personal liability of and a charge against  
15 the owners of the property even if the owners are not named in the  
16 assessment proceeding.

17 (c) The lien is effective from the date of the board's  
18 resolution imposing the assessment until the date the assessment is  
19 paid. The board may enforce the lien in the same manner that the  
20 board may enforce an ad valorem tax lien against real property.  
21 (Loc. Gov. Code, Secs. 376.090(a) (part), 376.095.)

22 Sec. 3803.155. TAX AND ASSESSMENT ABATEMENTS. Without  
23 further authorization or other procedural requirement, the  
24 district may grant, consistent with Chapter 312, Tax Code, an  
25 abatement for a tax or assessment owed to the district. (Loc. Gov.  
26 Code, Sec. 376.099.)

27 Sec. 3803.156. PROPERTY EXEMPT FROM ASSESSMENT AND IMPACT

1 FEES. Because the district is created in an area that is devoted  
2 primarily to commercial and business activity, the district may not  
3 impose an impact fee or assessment on a single-family residential  
4 property or a residential duplex, triplex, fourplex, or  
5 condominium. (Loc. Gov. Code, Sec. 376.098.)

6 Sec. 3803.157. OBLIGATIONS. (a) The district may issue  
7 bonds or other obligations payable in whole or in part from ad  
8 valorem taxes, assessments, impact fees, revenue, grants, or other  
9 money of the district, or any combination of those sources of money,  
10 to pay for any authorized purpose of the district.

11 (b) In exercising the district's borrowing power, the  
12 district may issue a bond or other obligation in the form of a bond,  
13 note, certificate of participation or other instrument evidencing a  
14 proportionate interest in payments to be made by the district, or  
15 other type of obligation. (Loc. Gov. Code, Sec. 376.094.)

16 Sec. 3803.158. ELECTIONS REGARDING TAXES OR  
17 BONDS. (a) The district must hold an election in the manner  
18 provided by Subchapter L, Chapter 375, Local Government Code, to  
19 obtain voter approval before the district may:

20 (1) impose a maintenance tax; or

21 (2) issue a bond payable from ad valorem taxes or  
22 assessments.

23 (b) The board may submit multiple purposes in a single  
24 proposition at an election.

25 (c) The board may not call an election under this chapter  
26 unless a written petition requesting an election is filed with the  
27 board. The petition must be signed by 50 owners of property in the

district, if more than 50 persons own property in the district according to the most recent certified tax appraisal roll for Harris County.

(d) When issuing a bond payable from a defined area under Chapter 54, Water Code, the district must hold the required election only in the defined area and not in the entire district. (Loc. Gov. Code, Sec. 376.096.)

Sec. 3803.159. SALES AND USE TAX PROHIBITED. The district may not impose a sales and use tax. (Loc. Gov. Code, Sec. 376.090(b).)

#### CHAPTER 3804. FIRST COLONY MANAGEMENT DISTRICT

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3804.001. DEFINITIONS

Sec. 3804.002. FIRST COLONY MANAGEMENT DISTRICT

Sec. 3804.003. PURPOSE; DECLARATION OF INTENT

Sec. 3804.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

Sec. 3804.005. DISTRICT TERRITORY

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Sec. 3804.008. LIBERAL CONSTRUCTION OF CHAPTER

[Sections 3804.009-3804.050 reserved for expansion]

##### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3804.051. BOARD OF DIRECTORS; TERMS

Sec. 3804.052. APPOINTMENT OF DIRECTORS

Sec. 3804.053. NONVOTING DIRECTORS

Sec. 3804.054. REMOVAL OF DIRECTORS

[Sections 3804.055-3804.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

- Sec. 3804.101. DISTRICT POWERS
- Sec. 3804.102. RELATION TO OTHER LAW
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FACILITY OF TEXAS DEPARTMENT OF  
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- Sec. 3804.108. ANNEXATION OR EXCLUSION OF TERRITORY
- [Sections 3804.109-3804.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

- Sec. 3804.151. PETITION REQUIRED FOR FINANCING SERVICES  
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- Sec. 3804.152. DISBURSEMENTS AND TRANSFERS OF MONEY
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ASSESSMENTS, OR IMPACT FEES
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ASSESSMENTS, AND IMPACT FEES
- Sec. 3804.155. MAINTENANCE TAX
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- Sec. 3804.157. PROPERTY EXEMPT FROM ASSESSMENTS AND  
IMPACT FEES
- Sec. 3804.158. OBLIGATIONS; APPROVAL BY CITY OF SUGAR LAND
- Sec. 3804.159. ELECTIONS REGARDING TAXES OR BONDS
- [Sections 3804.160-3804.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3804.201. DISSOLUTION OF DISTRICT

CHAPTER 3804. FIRST COLONY MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3804.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "District" means the First Colony Management District. (Loc. Gov. Code, Secs. 376.113(1), (2).)

Sec. 3804.002. FIRST COLONY MANAGEMENT DISTRICT. A special district known as the "First Colony Management District" is a governmental agency and political subdivision of this state. (Loc. Gov. Code, Sec. 376.111(a).)

Sec. 3804.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing Fort Bend County, the City of Sugar Land, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the city of Sugar Land.

1           (c) This chapter and the creation of the district may not be  
2 interpreted to relieve Fort Bend County or the City of Sugar Land  
3 from providing the level of services provided as of September 1,  
4 1997, to the area in the district or to release the county or the  
5 city from the obligations of each entity to provide services to that  
6 area. The district is created to supplement and not to supplant the  
7 county or city services provided in the area in the district. (Loc.  
8 Gov. Code, Secs. 376.111(c), 376.112.)

9           Sec. 3804.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

10          (a) The district is created to serve a public use and benefit.

11          (b) All land and other property included in the district  
12 will benefit from the improvements and services to be provided by  
13 the district under powers conferred by Sections 52 and 52-a,  
14 Article III, and Section 59, Article XVI, Texas Constitution, and  
15 other powers granted under this chapter.

16          (c) The creation of the district is in the public interest  
17 and is essential to:

18               (1) further the public purposes of developing and  
19 diversifying the economy of the state;

20               (2) eliminate unemployment and underemployment; and

21               (3) develop or expand transportation and commerce.

22          (d) The district will:

23               (1) promote the health, safety, and general welfare of  
24 residents, employers, employees, visitors, and consumers in the  
25 district, and of the public;

26               (2) provide needed funding for the City of Sugar Land  
27 to preserve, maintain, and enhance the economic health and vitality



1 of the area as a community and business center; and

2 (3) promote the health, safety, welfare, and enjoyment  
3 of the public by providing pedestrian ways and by landscaping and  
4 developing certain areas in the district, which are necessary for  
5 the restoration, preservation, and enhancement of scenic and  
6 aesthetic beauty.

7 (e) Pedestrian ways along or across a street, whether at  
8 grade or above or below the surface, and street lighting, street  
9 landscaping, and street art objects are parts of and necessary  
10 components of a street and are considered to be a street or road  
11 improvement.

12 (f) The district will not act as the agent or  
13 instrumentality of any private interest even though the district  
14 will benefit many private interests as well as the public. (Loc.  
15 Gov. Code, Sec. 376.116.)

16 Sec. 3804.005. DISTRICT TERRITORY. (a) The district is  
17 composed of the territory described by Section 1, Chapter 985, Acts  
18 of the 75th Legislature, Regular Session, 1997, enacting former  
19 Section 376.114, Local Government Code, as that territory may have  
20 been modified under:

21 (1) Section 3804.108 or its predecessor statute,  
22 former Section 376.122, Local Government Code;

23 (2) Subchapter J, Chapter 49, Water Code; or

24 (3) other law.

25 (b) The boundaries and field notes of the district contained  
26 in Section 1, Chapter 985, Acts of the 75th Legislature, Regular  
27 Session, 1997, enacting former Section 376.114, Local Government

1 Code, form a closure. A mistake in the field notes or in copying the  
2 field notes in the legislative process does not in any way affect:

3 (1) the district's organization, existence, and  
4 validity;

5 (2) the district's right to issue any type of bond,  
6 including a refunding bond, for a purpose for which the district is  
7 created or to pay the principal of and interest on the bond;

8 (3) the district's right to impose and collect an  
9 assessment or tax; or

10 (4) the legality or operation of the district or the  
11 board. (Loc. Gov. Code, Sec. 376.115; New.)

12 Sec. 3804.006. ELIGIBILITY FOR REINVESTMENT ZONES.

13 (a) All or any part of the area of the district is eligible to be  
14 included in:

15 (1) a tax increment reinvestment zone created by the  
16 City of Sugar Land under Chapter 311, Tax Code; or

17 (2) a tax abatement reinvestment zone created by the  
18 City of Sugar Land under Chapter 312, Tax Code.

19 (b) A taxing unit participating in a tax increment  
20 reinvestment zone created by a municipality or county may continue  
21 to enter into a tax abatement agreement. (Loc. Gov. Code, Sec.  
22 376.137.)

23 Sec. 3804.007. APPLICABILITY OF OTHER LAW. Except as  
24 otherwise provided by this chapter, Chapter 375, Local Government  
25 Code, applies to the district. (Loc. Gov. Code, Sec. 376.117.)

26 Sec. 3804.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
27 chapter shall be liberally construed in conformity with the

findings and purposes stated in this chapter. (Loc. Gov. Code, Sec. 376.118.)

[Sections 3804.009-3804.050 reserved for expansion]

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3804.051. BOARD OF DIRECTORS; TERMS. (a) The district is governed by a board of 13 directors who serve staggered terms of four years with six or seven directors' terms expiring June 1 of each odd-numbered year.

(b) The board by resolution may increase or decrease the number of directors on the board, but only if it is in the best interest of the district to do so. The board may not:

(1) increase the number of directors to more than 30; or

(2) decrease the number of directors to fewer than nine. (Loc. Gov. Code, Sec. 376.119(a).)

Sec. 3804.052. APPOINTMENT OF DIRECTORS. (a) The mayor and members of the governing body of the City of Sugar Land shall appoint directors from persons recommended by the board.

(b) A person may not be appointed to the board if the appointment of that person would result in fewer than two-thirds of the directors owning property in the city of Sugar Land.

(c) An owner of a tract of land in the district that is 10 or more acres in size may recommend to the board a successor director to fill a position or vacancy on the board unless a director recommended by the current or previous owner of the tract is serving on the board. (Loc. Gov. Code, Secs. 376.120(a) (part), (b), (c).)

Sec. 3804.053. NONVOTING DIRECTORS. The board may appoint

1 nonvoting directors to serve on the board. (Loc. Gov. Code, Sec.  
2 376.121.)

3 Sec. 3804.054. REMOVAL OF DIRECTORS. (a) The board may  
4 remove a director if the director has missed half the meetings  
5 scheduled during the preceding 12 months.

6 (b) A director removed under this section may file a written  
7 appeal with the governing body of the City of Sugar Land. The  
8 governing body may reinstate the director if the body finds that the  
9 removal was unwarranted under the circumstances after considering  
10 the reasons for the absences, the time and place of the meetings,  
11 the business conducted at the meetings missed, and any other  
12 relevant circumstances. (Loc. Gov. Code, Sec. 376.120(d).)

13 [Sections 3804.055-3804.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 3804.101. DISTRICT POWERS. The district has:

16 (1) all powers necessary to accomplish the purposes  
17 for which the district was created;

18 (2) the rights, powers, privileges, authority, and  
19 functions of a district created under Chapter 375, Local Government  
20 Code; and

21 (3) the powers given to a corporation under Section  
22 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
23 Texas Civil Statutes), and the power to own, operate, acquire,  
24 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
25 Sec. 376.122 (part).)

26 Sec. 3804.102. RELATION TO OTHER LAW. This chapter  
27 prevails over a law to which Section 3804.101 or 3804.108 refers

1 that is in conflict with or is inconsistent with this chapter.  
2 (Loc. Gov. Code, Sec. 376.124 (part).)

3 Sec. 3804.103. NONPROFIT CORPORATION. (a) The board by  
4 resolution may authorize the creation of a nonprofit corporation to  
5 assist and act for the district in implementing a project or  
6 providing a service authorized by this chapter.

7 (b) The nonprofit corporation:

8 (1) has each power of and is considered for purposes of  
9 this chapter to be a local government corporation created under  
10 Chapter 431, Transportation Code; and

11 (2) may implement any project and provide any service  
12 authorized by this chapter.

13 (c) The board shall appoint the board of directors of the  
14 nonprofit corporation. The board of directors of the nonprofit  
15 corporation shall serve in the same manner as, for the same term as,  
16 and on the same conditions as the board of directors of a local  
17 government corporation created under Chapter 431, Transportation  
18 Code. (Loc. Gov. Code, Sec. 376.126.)

19 Sec. 3804.104. CONTRACTS; GRANTS. (a) To protect the  
20 public interest, the district may contract with Fort Bend County or  
21 the City of Sugar Land for the county or the city to provide law  
22 enforcement services in the district for a fee.

23 (b) Fort Bend County, the City of Sugar Land, or another  
24 political subdivision of this state, without further  
25 authorization, may contract with the district to implement a  
26 project of the district or assist the district in providing a  
27 service authorized under this chapter. A contract under this

subsection may:

- (1) be for a period on which the parties agree;
- (2) include terms on which the parties agree;
- (3) be payable from taxes or any other source of revenue that may be available for that project or service; and
- (4) provide terms under which taxes or other revenue collected at a district project or from a person using or purchasing a commodity or service at a district project may be paid or rebated to the district.

(c) The district may enter into a contract, lease, or other agreement with or make or accept a grant or loan to or from any person, including:

- (1) the United States;
- (2) this state or a state agency;
- (3) any political subdivision of this state; and
- (4) a public or private corporation, including a nonprofit corporation created by the board under this subchapter.

(d) The district may perform all acts necessary for the full exercise of the powers vested in the district on terms and for the period the board determines advisable. (Loc. Gov. Code, Sec. 376.135.)

Sec. 3804.105. COMPETITIVE BIDDING. The district may enter a contract for more than \$50,000 for services, improvements, or the purchase of property, including materials, machinery, equipment, and supplies, only as provided by Subchapter K, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec. 376.136.)

Sec. 3804.106. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS.

1 The district must obtain the City of Sugar Land's approval of the  
2 plans and specifications of any district improvement project  
3 related to the use of land owned by the City of Sugar Land, an  
4 easement granted by the City of Sugar Land, or a right-of-way of a  
5 street, road, or highway. (Loc. Gov. Code, Sec. 376.130.)

6 Sec. 3804.107. LIMITATION ON CERTAIN ACTIONS AFFECTING  
7 FACILITY OF TEXAS DEPARTMENT OF TRANSPORTATION. The district may  
8 not relocate, adjust, raise, lower, reroute, or change the grade or  
9 the construction of a facility under the jurisdiction of the Texas  
10 Department of Transportation without the department's written  
11 approval. (Loc. Gov. Code, Sec. 376.123(c).)

12 Sec. 3804.108. ANNEXATION OR EXCLUSION OF TERRITORY. The  
13 district may annex or exclude land, whether located inside or  
14 outside the boundaries of the city of Sugar Land, as provided by  
15 Subchapter J, Chapter 49, Water Code. (Loc. Gov. Code, Sec. 376.122  
16 (part).)

17 [Sections 3804.109-3804.150 reserved for expansion]

18 SUBCHAPTER D. FINANCIAL PROVISIONS

19 Sec. 3804.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
20 IMPROVEMENTS. (a) The board may not finance a service or an  
21 improvement project under this chapter unless a written petition  
22 requesting that service or improvement is filed with the board.

23 (b) The petition must be signed by:

24 (1) the owners of a majority of the assessed value of  
25 real property in the district according to the most recent  
26 certified tax appraisal roll for Fort Bend County;

27 (2) the owners of a majority of the surface area of

1 real property in the district, according to the most recent  
2 certified tax appraisal roll for Fort Bend County, excluding roads,  
3 streets, highways, and utility rights-of-way, other public areas,  
4 and any other property exempt from assessment under this chapter;  
5 or

6 (3) at least 50 owners of land in the district, if more  
7 than 50 persons own property in the district according to the most  
8 recent certified tax appraisal roll for Fort Bend County. (Loc.  
9 Gov. Code, Sec. 376.125.)

10 Sec. 3804.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
11 board by resolution shall establish the number of directors'  
12 signatures and the procedure required for a disbursement or  
13 transfer of the district's money. (Loc. Gov. Code, Sec. 376.127.)

14 Sec. 3804.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
15 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
16 or impact fee requires a vote of a majority of the directors  
17 serving. (Loc. Gov. Code, Sec. 376.119(b) (part).)

18 Sec. 3804.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
19 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
20 tax, assessment, or impact fee as provided by Chapter 375, Local  
21 Government Code, to provide an improvement or service for a project  
22 or activity the district may acquire, construct, improve, or  
23 provide under this chapter. (Loc. Gov. Code, Sec. 376.122 (part).)

24 Sec. 3804.155. MAINTENANCE TAX. (a) If authorized at an  
25 election held in accordance with Section 3804.159, the district may  
26 impose an annual ad valorem tax on taxable property in the district  
27 to:



1           (1) maintain and operate the district and the  
2 improvements constructed or acquired by the district; or

3           (2) provide a service.

4           (b) The board shall determine the tax rate. (Loc. Gov.  
5 Code, Sec. 376.133.)

6           Sec. 3804.156. ASSESSMENTS; LIENS FOR ASSESSMENTS.

7           (a) The board by resolution may impose and collect an assessment  
8 for any purpose authorized by this chapter.

9           (b) An assessment, a reassessment, or an assessment  
10 resulting from an addition to or correction of the assessment roll  
11 by the district, penalties and interest on an assessment or  
12 reassessment, an expense of collection, and reasonable attorney's  
13 fees incurred by the district:

14           (1) are a first and prior lien against the property  
15 assessed;

16           (2) are superior to any other lien or claim other than  
17 a lien or claim for county, school district, or municipal ad valorem  
18 taxes; and

19           (3) are the personal liability of and a charge against  
20 the owners of the property even if the owners are not named in the  
21 assessment proceeding.

22           (c) The lien is effective from the date of the board's  
23 resolution imposing the assessment until the date the assessment is  
24 paid. The board may enforce the lien in the same manner that the  
25 board may enforce an ad valorem tax lien against real property.

26           (d) The board may correct, add to, or delete assessments  
27 from its assessment rolls after notice and hearing as provided by

1 Subchapter F, Chapter 375, Local Government Code.

2 (e) If equipment installed, at no cost to the district, on  
3 assessed property reduces the district's cost of providing a  
4 service, the district may reduce the amount of the assessment  
5 against the property for the person required to pay the assessment  
6 by an amount equal to the money saved by the equipment or may rebate  
7 the money saved to the person required to pay the assessment. The  
8 amount of money saved is determined solely by the district. The  
9 district shall determine and apply rebates and reductions under  
10 this subsection in a nondiscriminatory manner. (Loc. Gov. Code,  
11 Secs. 376.122 (part), 376.129(a), (b), (c), (e).)

12 Sec. 3804.157. PROPERTY EXEMPT FROM ASSESSMENTS AND IMPACT  
13 FEES. The district may not, without the consent of the owner,  
14 impose an impact fee or assessment under Chapter 375, Local  
15 Government Code, on:

16 (1) a condominium for which the owner meets all the  
17 requirements to claim a homestead exemption, a single-family  
18 detached residential property, or a residential duplex, triplex, or  
19 fourplex;

20 (2) a tract consistently and continuously used for:

21 (A) religious worship or a school that is  
22 maintained or owned by or affiliated with a religious organization;  
23 or

24 (B) a use ancillary to and in keeping with the  
25 operation of a full-service church or school affiliated with a  
26 religious organization;

27 (3) a tract owned by this state or the United States

1 and used for a public purpose;

2 (4) a tract owned by the City of Sugar Land, Fort Bend  
3 County, or another political subdivision and used for a public  
4 purpose; or

5 (5) a tract that is owned in fee simple by a community  
6 services association or property owners' association and that is  
7 not leased to a person who is not exempt under this chapter. (Loc.  
8 Gov. Code, Sec. 376.129(d).)

9 Sec. 3804.158. OBLIGATIONS; APPROVAL BY CITY OF SUGAR LAND.

10 (a) The district may issue bonds or other obligations payable in  
11 whole or in part from ad valorem taxes, assessments, impact fees,  
12 revenue, grants, or other money of the district, or any combination  
13 of those sources of money, to pay for any authorized purpose of the  
14 district.

15 (b) In exercising the district's borrowing power, the  
16 district may issue a bond or other obligation in the form of a bond,  
17 note, certificate of participation or other instrument evidencing a  
18 proportionate interest in payments to be made by the district, or  
19 other type of obligation.

20 (c) Except as provided by Subsection (d), the district must  
21 obtain the approval of the City of Sugar Land:

22 (1) for the issuance of a bond for each improvement  
23 project; and

24 (2) of the plans and specifications of the improvement  
25 project to be financed by the bond.

26 (d) If the district obtains the approval of the City of  
27 Sugar Land of a capital improvements budget for a specified period

1 not to exceed five years, the district may finance the capital  
2 improvements and issue bonds specified in the budget without  
3 further approval from the City of Sugar Land. (Loc. Gov. Code,  
4 Secs. 376.128(a), (b), (c), (d).)

5 Sec. 3804.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
6 addition to the elections required under Subchapter L, Chapter 375,  
7 Local Government Code, the district must hold an election in the  
8 manner provided by that subchapter to obtain voter approval before  
9 the district may:

10 (1) impose a maintenance tax; or

11 (2) issue a bond payable from ad valorem taxes or  
12 assessments.

13 (b) The board may submit multiple purposes in a single  
14 proposition at an election.

15 (c) The board may not call an election under this chapter  
16 unless a written petition requesting an election is filed with the  
17 board. The petition must be signed by:

18 (1) the owners of a majority of the assessed value of  
19 real property in the district according to the most recent  
20 certified tax appraisal roll for Fort Bend County;

21 (2) the owners of the majority of the surface area of  
22 real property in the district, according to the most recent  
23 certified tax appraisal roll for Fort Bend County, excluding roads,  
24 streets, highways, and utility rights-of-way, other public areas,  
25 and any other property exempt from assessment under this chapter;  
26 or

27 (3) at least 50 owners of land in the district, if more

1 than 50 persons own property in the district according to the most  
2 recent certified tax appraisal roll for Fort Bend County. (Loc.  
3 Gov. Code, Sec. 376.131.)

4 [Sections 3804.160-3804.200 reserved for expansion]

5 SUBCHAPTER E. DISSOLUTION

6 Sec. 3804.201. DISSOLUTION OF DISTRICT. (a) The district  
7 may be dissolved as provided by Subchapter M, Chapter 375, Local  
8 Government Code, except that the dissolution must be approved by:

9 (1) a three-fourths vote of the board; and

10 (2) a two-thirds vote of the City of Sugar Land's  
11 governing body.

12 (b) Despite this section and Section 375.264, Local  
13 Government Code, the district may be dissolved as provided by  
14 Subchapter M, Chapter 375, Local Government Code, if the district  
15 has debt. If the district has debt when it is dissolved, the  
16 district shall remain in existence solely for the purpose of  
17 discharging its bonds or other obligations according to their  
18 terms. (Loc. Gov. Code, Sec. 376.134.)

19 CHAPTER 3805. UPPER KIRBY MANAGEMENT DISTRICT

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 3805.001. DEFINITIONS

22 Sec. 3805.002. UPPER KIRBY MANAGEMENT DISTRICT

23 Sec. 3805.003. PURPOSE; DECLARATION OF INTENT

24 Sec. 3805.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

25 Sec. 3805.005. DISTRICT TERRITORY

26 Sec. 3805.006. TORT LIABILITY

27 Sec. 3805.007. ELIGIBILITY FOR REINVESTMENT ZONES

1   Sec. 3805.008.   RELATION TO OTHER LAW  
2   Sec. 3805.009.   LIBERAL CONSTRUCTION OF CHAPTER  
3                   [Sections 3805.010-3805.050 reserved for expansion]  
4                   SUBCHAPTER B.   BOARD OF DIRECTORS  
5   Sec. 3805.051.   BOARD OF DIRECTORS; TERMS  
6   Sec. 3805.052.   APPOINTMENT OF DIRECTORS ON INCREASE  
7                   IN BOARD SIZE  
8                   [Sections 3805.053-3805.100 reserved for expansion]  
9                   SUBCHAPTER C.   POWERS AND DUTIES  
10   Sec. 3805.101.   DISTRICT POWERS  
11   Sec. 3805.102.   NONPROFIT CORPORATION  
12   Sec. 3805.103.   ELECTIONS  
13   Sec. 3805.104.   CONTRACT FOR LAW ENFORCEMENT AND SECURITY  
14                   SERVICES  
15   Sec. 3805.105.   ANNEXATION OR EXCLUSION OF TERRITORY  
16                   [Sections 3805.106-3805.150 reserved for expansion]  
17                   SUBCHAPTER D.   FINANCIAL PROVISIONS  
18   Sec. 3805.151.   AUTHORITY TO IMPOSE ASSESSMENTS, AD VALOREM  
19                   TAXES, AND IMPACT FEES  
20   Sec. 3805.152.   MAINTENANCE TAX  
21   Sec. 3805.153.   ASSESSMENTS CONSIDERED TAXES  
22   Sec. 3805.154.   LIENS FOR ASSESSMENTS; SUITS TO RECOVER  
23                   ASSESSMENTS  
24   Sec. 3805.155.   PROPERTY OF ELECTRIC UTILITY EXEMPT FROM  
25                   ASSESSMENT AND IMPACT FEES  
26   Sec. 3805.156.   DEBT  
27                   [Sections 3805.157-3805.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3805.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
DEBT

CHAPTER 3805. UPPER KIRBY MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3805.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "District" means the Upper Kirby Management District. (Loc. Gov. Code, Secs. 376.153(1), (2).)

Sec. 3805.002. UPPER KIRBY MANAGEMENT DISTRICT. A special district known as the "Upper Kirby Management District" is a governmental agency and political subdivision of this state. (Loc. Gov. Code, Sec. 376.151(a).)

Sec. 3805.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing Harris County, the City of Houston, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public

1 welfare in the area traversed by Kirby Drive in the city of Houston.

2 (c) This chapter and the creation of the district may not be  
3 interpreted to relieve Harris County or the City of Houston from  
4 providing the level of services provided as of September 1, 1997, to  
5 the area in the district or to release the county or the city from  
6 the obligations of each entity to provide services to that area.  
7 The district is created to supplement and not to supplant the county  
8 or city services provided in the area in the district. (Loc. Gov.  
9 Code, Secs. 376.151(c), 376.152.)

10 Sec. 3805.004. FINDINGS OF BENEFIT AND PUBLIC  
11 PURPOSE. (a) The district is created to serve a public use and  
12 benefit.

13 (b) All land and other property included in the district  
14 will benefit from the improvements and services to be provided by  
15 the district under powers conferred by Sections 52 and 52-a,  
16 Article III, and Section 59, Article XVI, Texas Constitution, and  
17 other powers granted under this chapter.

18 (c) Each improvement project or service authorized by this  
19 chapter is essential to carry out a public purpose.

20 (d) The creation of the district is in the public interest  
21 and is essential to:

22 (1) further the public purposes of developing and  
23 diversifying the economy of the state;

24 (2) eliminate unemployment and underemployment; and

25 (3) develop or expand transportation and commerce.

26 (e) The district will:

27 (1) promote the health, safety, and general welfare of



1 residents, employers, employees, visitors, and consumers in the  
2 district, and of the public;

3 (2) provide needed funding for the Kirby Drive  
4 vicinity of the city of Houston to preserve, maintain, and enhance  
5 the economic health and vitality of the area as a community and  
6 business center;

7 (3) promote the health, safety, welfare, and enjoyment  
8 of the public by providing public art and pedestrian ways and by  
9 landscaping and developing certain areas in the district, which are  
10 necessary for the restoration, preservation, and enhancement of  
11 scenic and aesthetic beauty;

12 (4) promote and benefit commercial development and  
13 commercial areas in the Kirby Drive vicinity of the city of Houston;  
14 and

15 (5) promote and develop public transportation and  
16 pedestrian facilities and systems using new and alternative means  
17 that are attractive, safe, and convenient, including securing  
18 expanded and improved transportation and pedestrian facilities and  
19 systems, to:

20 (A) address the problem of traffic congestion in  
21 the district, the need to control traffic and improve pedestrian  
22 safety, and the limited availability of money; and

23 (B) benefit the land and other property in the  
24 district and the residents, employers, employees, visitors, and  
25 consumers in the district and the public.

26 (f) Pedestrian ways along or across a street, whether at  
27 grade or above or below the surface, and street lighting, street

1 landscaping, and street art objects are parts of and necessary  
2 components of a street and are considered to be a street or road  
3 improvement.

4 (g) The district will not act as the agent or  
5 instrumentality of any private interest even though the district  
6 will benefit many private interests as well as the public. (Loc.  
7 Gov. Code, Sec. 376.156.)

8 Sec. 3805.005. DISTRICT TERRITORY. (a) The district is  
9 composed of the territory described by Section 1, Chapter 1202,  
10 Acts of the 77th Legislature, Regular Session, 2001, amending  
11 former Section 376.154, Local Government Code, as that territory  
12 may have been modified under:

13 (1) Section 3805.105 or its predecessor statutes,  
14 former Section 376.124(b), Local Government Code, as added by  
15 Chapter 275, Acts of the 75th Legislature, Regular Session, 1997,  
16 and former Section 376.154(b), Local Government Code;

17 (2) Subchapter J, Chapter 49, Water Code; or

18 (3) other law.

19 (b) The boundaries and field notes of the district contained  
20 in Section 1, Chapter 1202, Acts of the 77th Legislature, Regular  
21 Session, 2001, amending former Section 376.154, Local Government  
22 Code, form a closure. A mistake in the field notes or in copying the  
23 field notes in the legislative process does not in any way affect:

24 (1) the district's organization, existence, and  
25 validity;

26 (2) the district's right to issue any type of bond,  
27 including a refunding bond, for a purpose for which the district is

1 created or to pay the principal of and interest on the bond;

2 (3) the district's right to impose and collect an  
3 assessment or tax; or

4 (4) the legality or operation of the district or the  
5 board.

6 (c) A description of the district's boundaries shall be  
7 filed with the Texas Commission on Environmental Quality. The  
8 commission by order may correct a mistake in the description of the  
9 district's boundaries. (Loc. Gov. Code, Secs. 376.154(c), 376.155;  
10 New.)

11 Sec. 3805.006. TORT LIABILITY. The district is a  
12 governmental unit under Chapter 101, Civil Practice and Remedies  
13 Code, and the operations of the district are essential government  
14 functions and are not proprietary functions for any purpose,  
15 including the application of Chapter 101, Civil Practice and  
16 Remedies Code. (Loc. Gov. Code, Sec. 376.162.)

17 Sec. 3805.007. ELIGIBILITY FOR REINVESTMENT ZONES. All or  
18 any part of the area of the district is eligible to be included in a  
19 tax increment reinvestment zone created by the City of Houston  
20 under Chapter 311, Tax Code. (Loc. Gov. Code, Sec. 376.169.)

21 Sec. 3805.008. RELATION TO OTHER LAW. This chapter  
22 prevails over any provision of general law, including a law to which  
23 this chapter refers, that is in conflict with or is inconsistent  
24 with this chapter. (Loc. Gov. Code, Sec. 376.161 (part).)

25 Sec. 3805.009. LIBERAL CONSTRUCTION OF CHAPTER. This  
26 chapter shall be liberally construed in conformity with the  
27 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.

1 376.157.)

2 [Sections 3805.010-3805.050 reserved for expansion]

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 3805.051. BOARD OF DIRECTORS; TERMS. (a) The  
5 district is governed by a board of five directors who serve  
6 staggered terms of four years.

7 (b) The board by resolution may increase or decrease the  
8 number of directors on the board, but only if a majority of the  
9 board finds that it is in the best interest of the district to do so.  
10 The board may not:

11 (1) increase the number of directors to more than  
12 nine; or

13 (2) decrease the number of directors to fewer than  
14 five.

15 (c) Sections 49.053, 49.054, 49.056, 49.057, 49.058, and  
16 49.060, Water Code, apply to the board.

17 (d) Subchapter D, Chapter 375, Local Government Code,  
18 applies to the board to the extent that subchapter does not conflict  
19 with this chapter. (Loc. Gov. Code, Sec. 376.158.)

20 Sec. 3805.052. APPOINTMENT OF DIRECTORS ON INCREASE IN  
21 BOARD SIZE. If the board increases the number of directors under  
22 Section 3805.051, the board shall appoint qualified persons to fill  
23 the new director positions and shall provide for staggering the  
24 terms of the directors serving in the new positions. On expiration  
25 of the term of a director appointed under this section, a succeeding  
26 director shall be appointed and qualified as provided by Subchapter  
27 D, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec.

1 376.159(b).)

2 [Sections 3805.053-3805.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Sec. 3805.101. DISTRICT POWERS. The district has:

5 (1) all powers necessary to accomplish the purposes  
6 for which the district was created;

7 (2) the rights, powers, privileges, authority, and  
8 functions of a district created under Chapter 375, Local Government  
9 Code;

10 (3) the powers, duties, and contracting authority  
11 specified by Subchapters H and I, Chapter 49, Water Code;

12 (4) the powers given to a corporation under Section  
13 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
14 Texas Civil Statutes), including the power to own, operate,  
15 acquire, construct, lease, improve, and maintain the projects  
16 described by that section; and

17 (5) the powers of a housing finance corporation  
18 created under Chapter 394, Local Government Code. (Loc. Gov. Code,  
19 Sec. 376.160 (part).)

20 Sec. 3805.102. NONPROFIT CORPORATION. (a) The board by  
21 resolution may authorize the creation of a nonprofit corporation to  
22 assist and act for the district in implementing a project or  
23 providing a service authorized by this chapter.

24 (b) The nonprofit corporation:

25 (1) has each power of and is considered for purposes of  
26 this chapter to be a local government corporation created under  
27 Chapter 431, Transportation Code; and

1           (2) may implement any project and provide any service  
2 authorized by this chapter.

3           (c) The board shall appoint the board of directors of the  
4 nonprofit corporation. The board of directors of the nonprofit  
5 corporation shall serve in the same manner as, for the same term as,  
6 and on the same conditions as the board of directors of a local  
7 government corporation created under Chapter 431, Transportation  
8 Code. (Loc. Gov. Code, Sec. 376.163.)

9           Sec. 3805.103. ELECTIONS. (a) District elections must be  
10 held in the manner provided by Subchapter L, Chapter 375, Local  
11 Government Code.

12           (b) The board may submit multiple purposes in a single  
13 proposition at an election. (Loc. Gov. Code, Sec. 376.166.)

14           Sec. 3805.104. CONTRACT FOR LAW ENFORCEMENT AND SECURITY  
15 SERVICES. The district may contract with:

16           (1) Harris County or the City of Houston for the county  
17 or city to provide law enforcement and security services for a fee;  
18 and

19           (2) a private entity for the private entity to provide  
20 supplemental security services. (Loc. Gov. Code, Sec. 376.160  
21 (part).)

22           Sec. 3805.105. ANNEXATION OR EXCLUSION OF TERRITORY. The  
23 district may annex or exclude land from the district in the manner  
24 provided by Subchapter C, Chapter 375, Local Government Code.  
25 (Loc. Gov. Code, Sec. 376.154(b).)

26           [Sections 3805.106-3805.150 reserved for expansion]

27           SUBCHAPTER D. FINANCIAL PROVISIONS

1           Sec. 3805.151. AUTHORITY TO IMPOSE ASSESSMENTS, AD VALOREM  
2 TAXES, AND IMPACT FEES. The district may impose, assess, charge, or  
3 collect an assessment, an ad valorem tax, an impact fee, or another  
4 fee in accordance with Chapter 49, Water Code, for a purpose  
5 specified by Chapter 375, Local Government Code, or as needed to  
6 exercise a power or function or to accomplish a purpose or duty for  
7 which the district was created. (Loc. Gov. Code, Sec. 376.160  
8 (part).)

9           Sec. 3805.152. MAINTENANCE TAX. (a) If authorized at an  
10 election held in accordance with Section 3805.103, the district may  
11 impose an annual ad valorem tax on taxable property in the district  
12 to maintain, restore, replace, or operate the district and  
13 improvements that the district constructs or acquires or the  
14 district's facilities, works, or services.

15           (b) The board shall determine the tax rate. (Loc. Gov.  
16 Code, Sec. 376.167.)

17           Sec. 3805.153. ASSESSMENTS CONSIDERED TAXES. For purposes  
18 of a title insurance policy issued under Chapter 9, Insurance Code,  
19 an assessment is a tax. (Loc. Gov. Code, Sec. 376.165(f).)

20           Sec. 3805.154. LIENS FOR ASSESSMENTS; SUITS TO RECOVER  
21 ASSESSMENTS. (a) An assessment imposed on property under this  
22 chapter is a personal obligation of the person who owns the property  
23 on January 1 of the year for which the assessment is imposed. If the  
24 person transfers title to the property, the person is not relieved  
25 of the obligation.

26           (b) On January 1 of the year for which an assessment is  
27 imposed on a property, a lien attaches to the property to secure the

1 payment of the assessment and any interest accrued on the  
2 assessment. The lien has the same priority as a lien for district  
3 taxes.

4 (c) Not later than the fourth anniversary of the date on  
5 which a delinquent assessment became due, the district may file  
6 suit to foreclose the lien or to enforce the obligation for the  
7 assessment, or both, and for any interest accrued.

8 (d) In addition to recovering the amount of the assessment  
9 and any accrued interest, the district may recover reasonable  
10 costs, including attorney's fees, that the district incurs in  
11 foreclosing the lien or enforcing the obligation. The costs may not  
12 exceed an amount equal to 20 percent of the assessment and interest.

13 (e) If the district does not file a suit in connection with a  
14 delinquent assessment on or before the last date on which the  
15 district may file suit under Subsection (c), the assessment and any  
16 interest accrued is considered paid. (Loc. Gov. Code, Secs.  
17 376.165(a), (b), (c), (d), (e).)

18 Sec. 3805.155. PROPERTY OF ELECTRIC UTILITY EXEMPT FROM  
19 ASSESSMENT AND IMPACT FEES. The district may not impose an impact  
20 fee or assessment on the property, equipment, or facilities of an  
21 electric utility as defined by Section 31.002, Utilities Code.  
22 (Loc. Gov. Code, Sec. 376.170.)

23 Sec. 3805.156. DEBT. The district may issue bonds, notes,  
24 or other debt obligations in accordance with Subchapters I and J,  
25 Chapter 375, Local Government Code, for a purpose specified by that  
26 chapter or as required to exercise a power or function or to  
27 accomplish a purpose or duty for which the district was created.



(Loc. Gov. Code, Sec. 376.164.)

[Sections 3805.157-3805.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3805.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBT. (a) The district may be dissolved as provided by Subchapter M, Chapter 375, Local Government Code.

(b) Regardless of Section 375.264, Local Government Code, if the district has debt, the district may be dissolved as provided by Subchapter M, Chapter 375, Local Government Code. If the district has debt when it is dissolved, the district shall remain in existence solely for the purpose of discharging its bonds or other obligations according to their terms. (Loc. Gov. Code, Sec. 376.168.)

CHAPTER 3806. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3806.001. DEFINITIONS

Sec. 3806.002. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2

Sec. 3806.003. PURPOSE; DECLARATION OF INTENT

Sec. 3806.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

Sec. 3806.005. DISTRICT TERRITORY

Sec. 3806.006. APPLICABILITY OF OTHER LAW

Sec. 3806.007. LIBERAL CONSTRUCTION OF CHAPTER

[Sections 3806.008-3806.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3806.051. BOARD OF DIRECTORS; TERMS

Sec. 3806.052. APPOINTMENT OF DIRECTORS

[Sections 3806.053-3806.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

- Sec. 3806.101. DISTRICT POWERS
- Sec. 3806.102. RELATION TO OTHER LAW
- Sec. 3806.103. NONPROFIT CORPORATION
- Sec. 3806.104. CONTRACTS; GRANTS

[Sections 3806.105-3806.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

- Sec. 3806.151. PETITION REQUIRED FOR FINANCING SERVICES  
AND IMPROVEMENTS
- Sec. 3806.152. DISBURSEMENTS AND TRANSFERS OF MONEY
- Sec. 3806.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
ASSESSMENTS, OR IMPACT FEES
- Sec. 3806.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
ASSESSMENTS, AND IMPACT FEES
- Sec. 3806.155. MAINTENANCE TAX
- Sec. 3806.156. ASSESSMENTS; LIENS FOR ASSESSMENTS
- Sec. 3806.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES,  
AND ASSESSMENTS
- Sec. 3806.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON
- Sec. 3806.159. ELECTIONS REGARDING TAXES OR BONDS

[Sections 3806.160-3806.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

- Sec. 3806.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
DEBT

CHAPTER 3806. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2

SUBCHAPTER A. GENERAL PROVISIONS

- Sec. 3806.001. DEFINITIONS. In this chapter:

1           (1) "Board" means the board of directors of the  
2 district.

3           (2) "District" means the Harris County Improvement  
4 District No. 2. (Loc. Gov. Code, Secs. 376.213(1), (3).)

5           Sec. 3806.002. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2. A  
6 special district known as the "Harris County Improvement District  
7 No. 2" is a governmental agency and political subdivision of this  
8 state. (Loc. Gov. Code, Sec. 376.211(a).)

9           Sec. 3806.003. PURPOSE; DECLARATION OF INTENT. (a) The  
10 creation of the district is essential to accomplish the purposes of  
11 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
12 Texas Constitution, and other public purposes stated in this  
13 chapter. By creating the district and in authorizing Harris  
14 County, the City of Houston, and other political subdivisions to  
15 contract with the district, the legislature has established a  
16 program to accomplish the public purposes set out in Section 52-a,  
17 Article III, Texas Constitution.

18           (b) The creation of the district is necessary to promote,  
19 develop, encourage, and maintain employment, commerce,  
20 transportation, housing, tourism, recreation, the arts,  
21 entertainment, economic development, safety, and the public  
22 welfare in the Richmond Avenue area of Houston.

23           (c) This chapter and the creation of the district may not be  
24 interpreted to relieve Harris County or the City of Houston from  
25 providing the level of services provided as of September 1, 1997, to  
26 the area in the district or to release the county or the city from  
27 the obligations of each entity to provide services to that area.

1 The district is created to supplement and not to supplant the county  
2 or city services provided in the area in the district. (Loc. Gov.  
3 Code, Secs. 376.211(c), 376.212.)

4 Sec. 3806.004. FINDINGS OF BENEFIT AND PUBLIC  
5 PURPOSE. (a) The district is created to serve a public use and  
6 benefit.

7 (b) All land and other property included in the district  
8 will benefit from the improvements and services to be provided by  
9 the district under powers conferred by Sections 52 and 52-a,  
10 Article III, and Section 59, Article XVI, Texas Constitution, and  
11 other powers granted under this chapter.

12 (c) The creation of the district is in the public interest  
13 and is essential to:

14 (1) further the public purposes of developing and  
15 diversifying the economy of the state;

16 (2) eliminate unemployment and underemployment; and

17 (3) develop or expand transportation and commerce.

18 (d) The district will:

19 (1) promote the health, safety, and general welfare of  
20 residents, employers, employees, visitors, and consumers in the  
21 district, and of the public;

22 (2) provide needed funding to preserve, maintain, and  
23 enhance the economic health and vitality of the area in the district  
24 as a community and business center; and

25 (3) promote the health, safety, welfare, and enjoyment  
26 of the public by providing pedestrian ways and by landscaping and  
27 developing certain areas in the district, which are necessary for

1 the restoration, preservation, and enhancement of scenic and  
2 aesthetic beauty.

3 (e) Pedestrian ways along or across a street, whether at  
4 grade or above or below the surface, and street lighting, street  
5 landscaping, and street art objects are parts of and necessary  
6 components of a street and are considered to be a street or road  
7 improvement.

8 (f) The district will not act as the agent or  
9 instrumentality of any private interest even though the district  
10 will benefit many private interests as well as the public. (Loc.  
11 Gov. Code, Sec. 376.216.)

12 Sec. 3806.005. DISTRICT TERRITORY. (a) The district is  
13 composed of the territory described by Section 1, Chapter 679, Acts  
14 of the 75th Legislature, Regular Session, 1997, enacting former  
15 Section 376.214, Local Government Code, as that territory may have  
16 been modified under:

17 (1) Subchapter J, Chapter 49, Water Code; or

18 (2) other law.

19 (b) The boundaries and field notes of the district contained  
20 in Section 1, Chapter 679, Acts of the 75th Legislature, Regular  
21 Session, 1997, enacting former Section 376.214, Local Government  
22 Code, form a closure. A mistake in the field notes or in copying the  
23 field notes in the legislative process does not in any way affect:

24 (1) the district's organization, existence, and  
25 validity;

26 (2) the district's right to issue any type of bond,  
27 including a refunding bond, for a purpose for which the district is

1 created or to pay the principal of and interest on the bond;

2 (3) the district's right to impose and collect an  
3 assessment or tax; or

4 (4) the legality or operation of the district or the  
5 board. (Loc. Gov. Code, Sec. 376.215; New.)

6 Sec. 3806.006. APPLICABILITY OF OTHER LAW. Except as  
7 otherwise provided by this chapter, Chapter 375, Local Government  
8 Code, applies to the district. (Loc. Gov. Code, Sec. 376.217.)

9 Sec. 3806.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
10 chapter shall be liberally construed in conformity with the  
11 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
12 376.218.)

13 [Sections 3806.008-3806.050 reserved for expansion]

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Sec. 3806.051. BOARD OF DIRECTORS; TERMS. (a) The  
16 district is governed by a board of nine directors who serve  
17 staggered terms of four years, with four or five directors' terms  
18 expiring June 1 of each odd-numbered year.

19 (b) The board by resolution may increase or decrease the  
20 number of directors on the board, but only if it is in the best  
21 interest of the district to do so. The board may not:

22 (1) increase the number of directors to more than 30;  
23 or

24 (2) decrease the number of directors to fewer than  
25 nine. (Loc. Gov. Code, Sec. 376.219(a).)

26 Sec. 3806.052. APPOINTMENT OF DIRECTORS. The mayor and  
27 members of the governing body of the City of Houston shall appoint

1 directors from persons recommended by the board who meet the  
2 requirements of Subchapter D, Chapter 375, Local Government Code.  
3 (Loc. Gov. Code, Sec. 376.220 (part).)

4 [Sections 3806.053-3806.100 reserved for expansion]

5 SUBCHAPTER C. POWERS AND DUTIES

6 Sec. 3806.101. DISTRICT POWERS. The district has:

7 (1) all powers necessary to accomplish the purposes  
8 for which the district was created;

9 (2) the rights, powers, privileges, authority, and  
10 functions of a district created under Chapter 375, Local Government  
11 Code; and

12 (3) the powers given to a corporation under Section  
13 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
14 Texas Civil Statutes), and the power to own, operate, acquire,  
15 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
16 Sec. 376.221 (part).)

17 Sec. 3806.102. RELATION TO OTHER LAW. This chapter  
18 prevails over any law to which Section 3806.101 refers that  
19 conflicts with or is inconsistent with this chapter. (Loc. Gov.  
20 Code, Sec. 376.224 (part).)

21 Sec. 3806.103. NONPROFIT CORPORATION. (a) The board by  
22 resolution may authorize the creation of a nonprofit corporation to  
23 assist and act for the district in implementing a project or  
24 providing a service authorized by this chapter.

25 (b) The nonprofit corporation:

26 (1) has each power of and is considered for purposes of  
27 this chapter to be a local government corporation created under

Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as, for the same term as, and on the conditions of the board of directors of a local government corporation created under Chapter 431, Transportation Code. (Loc. Gov. Code, Sec. 376.226.)

Sec. 3806.104. CONTRACTS; GRANTS. (a) To protect the public interest, the district may contract with Harris County or the City of Houston for the county or the city to provide law enforcement services in the district for a fee.

(b) Harris County, the City of Houston, or another political subdivision of this state, without further authorization, may contract with the district to implement a project of the district or assist the district in providing a service authorized under this chapter. A contract under this subsection may:

- (1) be for a period on which the parties agree;
- (2) include terms on which the parties agree;
- (3) be payable from taxes or any other source of revenue that may be available for that project or service; and
- (4) provide terms under which taxes or other revenue collected at a district project or from a person using or purchasing a commodity or service at a district project may be paid or rebated to the district.

(c) The district may enter into a contract, lease, or other



1 agreement with or make or accept a grant or loan to or from any  
2 person, including:

- 3 (1) the United States;
- 4 (2) this state or a state agency;
- 5 (3) any political subdivision of this state; and
- 6 (4) a public or private corporation, including a  
7 nonprofit corporation created under this subchapter.

8 (d) The district may perform all acts necessary for the full  
9 exercise of the powers vested in the district on terms and for the  
10 period the board determines advisable. (Loc. Gov. Code, Sec.  
11 376.235.)

12 [Sections 3806.105-3806.150 reserved for expansion]

13 SUBCHAPTER D. FINANCIAL PROVISIONS

14 Sec. 3806.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
15 IMPROVEMENTS. (a) The board may not finance a service or an  
16 improvement project under this chapter unless a written petition  
17 requesting that service or improvement is filed with the board.

18 (b) The petition must be signed by:

19 (1) the owners of a majority of the assessed value of  
20 real property in the district according to the most recent  
21 certified tax appraisal roll for Harris County; or

22 (2) at least 50 owners of land in the district, if more  
23 than 50 persons own property in the district according to the most  
24 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
25 Code, Sec. 376.225.)

26 Sec. 3806.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
27 board by resolution shall establish the number of directors'

1 signatures and the procedure required for a disbursement or  
2 transfer of the district's money. (Loc. Gov. Code, Sec. 376.227.)

3 Sec. 3806.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
4 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
5 or impact fee requires a vote of a majority of the directors  
6 serving. (Loc. Gov. Code, Sec. 376.219(b) (part).)

7 Sec. 3806.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
8 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
9 tax, assessment, or impact fee as provided by Chapter 375, Local  
10 Government Code, to provide an improvement or service for a project  
11 or activity the district may acquire, construct, improve, or  
12 provide under this chapter. (Loc. Gov. Code, Sec. 376.221 (part).)

13 Sec. 3806.155. MAINTENANCE TAX. (a) If authorized at an  
14 election held in accordance with Section 3806.159, the district may  
15 impose an annual ad valorem tax on taxable property in the district  
16 to:

17 (1) maintain and operate the district and the  
18 improvements constructed or acquired by the district; or

19 (2) provide a service.

20 (b) The board shall determine the tax rate. (Loc. Gov.  
21 Code, Sec. 376.233.)

22 Sec. 3806.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
23 The board by resolution may impose and collect an assessment for any  
24 purpose authorized by this chapter.

25 (b) An assessment, a reassessment, or an assessment  
26 resulting from an addition to or correction of the assessment roll  
27 by the district, penalties and interest on an assessment or

reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed;

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceeding.

(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

(d) The board may correct, add to, or delete assessments from its assessment rolls after notice and hearing as provided by Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code, Secs. 376.221 (part), 376.229.)

Sec. 3806.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND ASSESSMENTS. (a) The district may not impose a tax, impact fee, or assessment on a residential property, multiunit residential property, or condominium.

(b) The district may not impose an impact fee or assessment on the property, equipment, or facilities of an electric utility as defined by Section 31.002, Utilities Code. (Loc. Gov. Code, Sec. 376.230.)

Sec. 3806.158. OBLIGATIONS; APPROVAL BY CITY OF

1 HOUSTON. (a) The district may issue bonds or other obligations  
2 payable in whole or in part from ad valorem taxes, assessments,  
3 impact fees, revenue, grants, or other money of the district, or any  
4 combination of those sources of money, to pay for any authorized  
5 purpose of the district.

6 (b) In exercising the district's borrowing power, the  
7 district may issue a bond or other obligation in the form of a bond,  
8 note, certificate of participation or other instrument evidencing a  
9 proportionate interest in payments to be made by the district, or  
10 other type of obligation.

11 (c) Except as provided by Subsection (d), the district must  
12 obtain the approval of the City of Houston:

13 (1) for the issuance of a bond for each improvement  
14 project;

15 (2) of the plans and specifications of the improvement  
16 project to be financed by the bond; and

17 (3) of the plans and specifications of a district  
18 improvement project related to the use of:

19 (A) land owned by a municipality;

20 (B) an easement granted by a municipality; or

21 (C) a right-of-way of a street, road, or highway.

22 (d) If the district obtains the approval of the City of  
23 Houston of a capital improvements budget for a specified period not  
24 to exceed five years, the district may finance the capital  
25 improvements and issue bonds specified in the budget without  
26 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
27 376.228(a), (b) (part), (c), (d).)

1           Sec. 3806.159. ELECTIONS           REGARDING           TAXES           OR

2 BONDS. (a) In addition to the elections required under  
3 Subchapter L, Chapter 375, Local Government Code, the district must  
4 hold an election in the manner provided by that subchapter to obtain  
5 voter approval before the district may:

6                   (1) impose a maintenance tax; or

7                   (2) issue a bond payable from ad valorem taxes or  
8 assessments.

9           (b) The board may submit multiple purposes in a single  
10 proposition at an election. (Loc. Gov. Code, Sec. 376.231.)

11                   [Sections 3806.160-3806.200 reserved for expansion]

12                               SUBCHAPTER E. DISSOLUTION

13           Sec. 3806.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
14 DEBT. If the district has debt when it is dissolved, the district  
15 shall remain in existence solely for the purpose of discharging its  
16 bonds or other obligations according to their terms. (Loc. Gov.  
17 Code, Sec. 376.234 (part).)

18                   CHAPTER 3807. GREATER EAST END MANAGEMENT DISTRICT

19                               SUBCHAPTER A. GENERAL PROVISIONS

20           Sec. 3807.001. DEFINITIONS

21           Sec. 3807.002. GREATER EAST END MANAGEMENT DISTRICT

22           Sec. 3807.003. PURPOSE; DECLARATION OF INTENT

23           Sec. 3807.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

24           Sec. 3807.005. DISTRICT TERRITORY

25           Sec. 3807.006. APPLICABILITY OF OTHER LAW

26           Sec. 3807.007. RELATION TO OTHER LAW

27           Sec. 3807.008. LIBERAL CONSTRUCTION OF CHAPTER

[Sections 3807.009-3807.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3807.051. BOARD OF DIRECTORS; TERMS

Sec. 3807.052. APPOINTMENT OF DIRECTORS

[Sections 3807.053-3807.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3807.101. POWERS

Sec. 3807.102. NONPROFIT CORPORATION

Sec. 3807.103. CONTRACTS; GRANTS

Sec. 3807.104. PLANS FOR WORKFORCE DEVELOPMENT SERVICES

[Sections 3807.105-3807.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3807.151. PETITION REQUIRED FOR FINANCING SERVICE

OR IMPROVEMENT

Sec. 3807.152. DISBURSEMENTS AND TRANSFERS OF MONEY

Sec. 3807.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,

ASSESSMENTS, OR IMPACT FEES

Sec. 3807.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,

ASSESSMENTS, AND IMPACT FEES

Sec. 3807.155. MAINTENANCE TAX

Sec. 3807.156. ASSESSMENTS; LIENS FOR ASSESSMENTS

Sec. 3807.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES,

AND ASSESSMENTS

Sec. 3807.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

Sec. 3807.159. ELECTIONS REGARDING TAXES OR BONDS

[Sections 3807.160-3807.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3807.201. DISSOLUTION OF DISTRICT WITH  
OUTSTANDING DEBT

CHAPTER 3807. GREATER EAST END MANAGEMENT DISTRICT  
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3807.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "District" means the Greater East End Management District. (Loc. Gov. Code, Secs. 376.263(1), (3).)

Sec. 3807.002. GREATER EAST END MANAGEMENT DISTRICT. A special district in Harris County known as the "Greater East End Management District" is a governmental agency and political subdivision of this state. (Loc. Gov. Code, Sec. 376.261(a).)

Sec. 3807.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing Harris County, the City of Houston, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the Greater East End area of the city of Houston.

1           (c) This chapter and the creation of the district may not be  
2 interpreted to relieve Harris County or the City of Houston from  
3 providing the level of services provided as of May 10, 1999, to the  
4 area in the district or to release the county or the city from the  
5 obligations of each entity to provide services to that area. The  
6 district is created to supplement and not to supplant the county or  
7 city services provided in the area in the district. (Loc. Gov.  
8 Code, Secs. 376.261(c), 376.262.)

9           Sec. 3807.004. FINDINGS OF BENEFIT AND PUBLIC  
10 PURPOSE. (a) The district is created to serve a public use and  
11 benefit.

12           (b) All land and other property included in the district  
13 will benefit from the improvements and services to be provided by  
14 the district under powers conferred by Sections 52 and 52-a,  
15 Article III, and Section 59, Article XVI, Texas Constitution, and  
16 other powers granted under this chapter.

17           (c) The creation of the district is in the public interest  
18 and is essential to:

19                   (1) further the public purposes of developing and  
20 diversifying the economy of the state;

21                   (2) eliminate unemployment and underemployment; and

22                   (3) develop or expand transportation and commerce.

23           (d) The district will:

24                   (1) promote the health, safety, and general welfare of  
25 residents, employers, employees, visitors, and consumers in the  
26 district, and of the public;

27                   (2) provide needed funding for the Greater East End



1 area of the city of Houston to preserve, maintain, and enhance the  
2 economic health and vitality of the area as a community and business  
3 center;

4 (3) promote the health, safety, welfare, and enjoyment  
5 of the public by providing pedestrian ways and by landscaping and  
6 developing certain areas in the district, which are necessary for  
7 the restoration, preservation, and enhancement of scenic and  
8 aesthetic beauty; and

9 (4) eliminate unemployment and underemployment and  
10 develop or expand transportation and commerce by providing or by  
11 participating with other entities and educational institutions in  
12 establishing, equipping, financing, and operating workforce  
13 development, workforce education, and job training opportunities.

14 (e) Pedestrian ways along or across a street, whether at  
15 grade or above or below the surface, and street lighting, street  
16 landscaping, and street art objects are parts of and necessary  
17 components of a street and are considered to be a street or road  
18 improvement.

19 (f) The district will not act as the agent or  
20 instrumentality of any private interest even though the district  
21 will benefit many private interests as well as the public. (Loc.  
22 Gov. Code, Sec. 376.266.)

23 Sec. 3807.005. DISTRICT TERRITORY. (a) The district is  
24 composed of the territory described by Section 1, Chapter 47, Acts  
25 of the 76th Legislature, Regular Session, 1999, enacting former  
26 Section 376.264, Local Government Code, as that territory may have  
27 been modified under:

1           (1) Subchapter J, Chapter 49, Water Code; or

2           (2) other law.

3           (b) The boundaries and field notes of the district contained  
4 in Section 1, Chapter 47, Acts of the 76th Legislature, Regular  
5 Session, 1999, enacting former Section 376.264, Local Government  
6 Code, form a closure. A mistake in the field notes or in copying the  
7 field notes in the legislative process does not in any way affect:

8           (1) the district's organization, existence, and  
9 validity;

10          (2) the district's right to issue any type of bond,  
11 including a refunding bond, for a purpose for which the district is  
12 created or to pay the principal of and interest on the bond;

13          (3) the district's right to impose and collect an  
14 assessment or tax; or

15          (4) the legality or operation of the district or the  
16 board. (Loc. Gov. Code, Sec. 376.265; New.)

17          Sec. 3807.006. APPLICABILITY OF OTHER LAW. Except as  
18 otherwise provided by this chapter, Chapter 375, Local Government  
19 Code, applies to the district. (Loc. Gov. Code, Secs. 376.267,  
20 376.271 (part).)

21          Sec. 3807.007. RELATION TO OTHER LAW. This chapter  
22 prevails over any provision of general law, including a law to which  
23 this chapter refers, that is in conflict with or is inconsistent  
24 with this chapter. (Loc. Gov. Code, Sec. 376.274 (part).)

25          Sec. 3807.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
26 chapter shall be liberally construed in conformity with the  
27 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.

376.268.)

[Sections 3807.009-3807.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3807.051. BOARD OF DIRECTORS; TERMS. (a) The district is governed by a board of 15 directors who serve staggered terms of four years, with seven directors' terms expiring June 1 of an odd-numbered year and eight directors' terms expiring June 1 of the following odd-numbered year.

(b) The board by resolution may increase or decrease the number of directors on the board, but only if it is in the best interest of the district to do so. The board may not:

(1) increase the number of directors to more than 30;

or

(2) decrease the number of directors to fewer than nine. (Loc. Gov. Code, Sec. 376.269(a).)

Sec. 3807.052. APPOINTMENT OF DIRECTORS. The mayor and members of the governing body of the City of Houston shall appoint directors from persons recommended by the board who meet the qualifications prescribed by Subchapter D, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec. 376.270 (part).)

[Sections 3807.053-3807.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3807.101. POWERS. The district has:

(1) all powers necessary to accomplish the purposes for which the district was created; and

(2) the powers given to a corporation under Section 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's

1 Texas Civil Statutes), and the power to own, operate, acquire,  
2 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
3 Sec. 376.271 (part).)

4 Sec. 3807.102. NONPROFIT CORPORATION. (a) The board by  
5 resolution may authorize the creation of a nonprofit corporation to  
6 assist and act for the district in implementing a project or  
7 providing a service authorized by this chapter.

8 (b) The nonprofit corporation:

9 (1) has each power of and is considered for purposes of  
10 this chapter to be a local government corporation created under  
11 Chapter 431, Transportation Code; and

12 (2) may implement any project and provide any service  
13 authorized by this chapter.

14 (c) The board shall appoint the board of directors of the  
15 nonprofit corporation. The board of directors of the nonprofit  
16 corporation shall serve in the same manner as, for the same term as,  
17 and on the same conditions as the board of directors of a local  
18 government corporation created under Chapter 431, Transportation  
19 Code. (Loc. Gov. Code, Sec. 376.276.)

20 Sec. 3807.103. CONTRACTS; GRANTS. (a) To protect the  
21 public interest, the district may contract with Harris County or  
22 the City of Houston for the county or the city to provide law  
23 enforcement services in the district for a fee.

24 (b) Harris County, the City of Houston, or another political  
25 subdivision of this state, without further authorization, may  
26 contract with the district to implement a project of the district or  
27 assist the district in providing a service authorized by this

chapter. A contract under this subsection may:

- (1) be for a period on which the parties agree;
- (2) include terms on which the parties agree;
- (3) be payable from taxes or any other source of revenue that may be available for that project or service; or
- (4) provide terms under which taxes or other revenue collected at a district project or from a person using or purchasing a commodity or service at a district project may be paid or rebated to the district.

(c) The district may enter into a contract, lease, or other agreement with or make or accept a grant or loan to or from any person, including:

- (1) the United States;
- (2) this state or a state agency;
- (3) any political subdivision of this state; and
- (4) a public or private corporation, including a nonprofit corporation created by the board under this subchapter.

(d) The district may perform all acts necessary for the full exercise of the powers vested in the district on terms and for the period the board determines advisable. (Loc. Gov. Code, Sec. 376.286.)

Sec. 3807.104. PLANS FOR WORKFORCE DEVELOPMENT SERVICES. (a) The district shall develop and implement one or more plans for workforce development services. The services may include:

- (1) job training;
- (2) workforce education;

1           (3)   financing of special educational opportunities;  
2           (4)   student summer work programs; or  
3           (5)   other    projects    that    promote    workforce  
4 development.

5           (b) To assist in implementing a plan for workforce  
6 development services, the district may:

7           (1)   accept a donation, grant, or loan from any person;  
8           (2)   work with a school at any level;  
9           (3)   work with any person that provides workforce  
10 development money or projects; or  
11           (4)   participate with any other entity. (Loc. Gov.  
12 Code, Secs. 376.284(a), (c), (d).)

13           [Sections 3807.105-3807.150 reserved for expansion]

14           SUBCHAPTER D. FINANCIAL PROVISIONS

15           Sec. 3807.151. PETITION REQUIRED FOR FINANCING SERVICE OR  
16 IMPROVEMENT. (a) The board may not finance a service or an  
17 improvement project under this chapter unless a written petition  
18 requesting that service or improvement is filed with the board.

19           (b) The petition must be signed by:

20           (1)   the owners of a majority of the assessed value of  
21 real property in the district according to the most recent  
22 certified tax appraisal roll for Harris County; or

23           (2)   at least 50 owners of land in the district, if more  
24 than 50 persons own property in the district according to the most  
25 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
26 Code, Sec. 376.275.)

27           Sec. 3807.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The

1 board by resolution shall establish the number of directors'  
2 signatures and the procedure required for a disbursement or  
3 transfer of the district's money. (Loc. Gov. Code, Sec. 376.277.)

4 Sec. 3807.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
5 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
6 or impact fee requires a vote of a majority of the directors  
7 serving. (Loc. Gov. Code, Sec. 376.269(b) (part).)

8 Sec. 3807.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
9 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
10 tax, assessment, or impact fee as provided by Chapter 375, Local  
11 Government Code, to provide an improvement or a service for a  
12 project or activity the district may acquire, construct, improve,  
13 or provide under this chapter. (Loc. Gov. Code, Sec. 376.271  
14 (part).)

15 Sec. 3807.155. MAINTENANCE TAX. (a) If authorized at an  
16 election held in accordance with Section 3807.159, the district may  
17 impose an annual ad valorem tax on taxable property in the district  
18 to:

19 (1) maintain and operate the district and the  
20 improvements constructed or acquired by the district; or

21 (2) provide a service.

22 (b) The board shall determine the tax rate. (Loc. Gov.  
23 Code, Sec. 376.283.)

24 Sec. 3807.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
25 The board by resolution may impose and collect an assessment for any  
26 purpose authorized by this chapter.

27 (b) An assessment, a reassessment, or an assessment

1 resulting from an addition to or correction of the assessment roll  
2 by the district, penalties and interest on an assessment or  
3 reassessment, an expense of collection, and reasonable attorney's  
4 fees incurred by the district:

5 (1) are a first and prior lien against the property  
6 assessed;

7 (2) are superior to any other lien or claim other than  
8 a lien or claim for county, school district, or municipal ad valorem  
9 taxes; and

10 (3) are the personal liability of and a charge against  
11 the owners of the property even if the owners are not named in the  
12 assessment proceeding.

13 (c) The lien is effective from the date of the board's  
14 resolution imposing the assessment until the date the assessment is  
15 paid. The board may enforce the lien in the same manner that the  
16 board may enforce an ad valorem tax lien against real property.

17 (d) The board may correct, add to, or delete assessments  
18 from its assessment rolls after notice and hearing as provided by  
19 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
20 Secs. 376.271 (part), 376.279.)

21 Sec. 3807.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
22 ASSESSMENTS. (a) The district may not impose a tax, impact fee,  
23 or assessment on a residential property, multiunit residential  
24 property, or condominium.

25 (b) The district may not impose an impact fee or assessment  
26 on the property, equipment, or facilities of a person that provides  
27 to the public cable television, gas, light, power, telephone,



1 sewage, or water service. (Loc. Gov. Code, Secs. 376.263(5),  
2 376.280.)

3 Sec. 3807.158. OBLIGATIONS; APPROVAL BY CITY OF  
4 HOUSTON. (a) The district may issue bonds or other obligations  
5 payable in whole or in part from ad valorem taxes, assessments,  
6 impact fees, revenue, grants, or other money of the district, or any  
7 combination of those sources of money, to pay for any authorized  
8 purpose of the district.

9 (b) In exercising the district's borrowing power, the  
10 district may issue a bond or other obligation in the form of a bond,  
11 note, certificate of participation or other instrument evidencing a  
12 proportionate interest in payments to be made by the district, or  
13 other type of obligation.

14 (c) Except as provided by Subsection (d), the district must  
15 obtain the approval of the City of Houston:

16 (1) for the issuance of a bond for each improvement  
17 project;

18 (2) of the plans and specifications of the improvement  
19 project to be financed by the bond; and

20 (3) of the plans and specifications of a district  
21 improvement project related to:

22 (A) the use of land owned by the City of Houston;

23 (B) an easement granted by the City of Houston;

24 or

25 (C) a right-of-way of a street, road, or highway.

26 (d) If the district obtains the approval of the City of  
27 Houston of a capital improvements budget for a specified period not

1 to exceed five years, the district may finance the capital  
2 improvements and issue bonds specified in the budget without  
3 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
4 376.278(a), (b) (part), (c), (d).)

5 Sec. 3807.159. ELECTIONS REGARDING TAXES OR  
6 BONDS. (a) In addition to the elections required under  
7 Subchapter L, Chapter 375, Local Government Code, the district must  
8 hold an election in the manner provided by that subchapter to obtain  
9 voter approval before the district may:

10 (1) impose a maintenance tax; or

11 (2) issue a bond payable from ad valorem taxes or  
12 assessments.

13 (b) The board may submit multiple purposes in a single  
14 proposition at an election. (Loc. Gov. Code, Sec. 376.281.)

15 [Sections 3807.160-3807.200 reserved for expansion]

16 SUBCHAPTER E. DISSOLUTION

17 Sec. 3807.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
18 DEBT. If the district has debt when it is dissolved, the district  
19 shall remain in existence solely for the purpose of discharging its  
20 bonds or obligations according to their terms. (Loc. Gov. Code,  
21 Sec. 376.285 (part).)

22 CHAPTER 3808. EAST DOWNTOWN MANAGEMENT DISTRICT

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 3808.001. DEFINITIONS

25 Sec. 3808.002. EAST DOWNTOWN MANAGEMENT DISTRICT

26 Sec. 3808.003. PURPOSE; DECLARATION OF INTENT

27 Sec. 3808.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

- 1    Sec. 3808.005.    DISTRICT TERRITORY
- 2    Sec. 3808.006.    APPLICABILITY OF OTHER LAW
- 3    Sec. 3808.007.    RELATION TO OTHER LAW
- 4    Sec. 3808.008.    LIBERAL CONSTRUCTION OF CHAPTER
- 5                    [Sections 3808.009-3808.050 reserved for expansion]
- 6                    SUBCHAPTER B.    BOARD OF DIRECTORS
- 7    Sec. 3808.051.    BOARD OF DIRECTORS; TERMS
- 8    Sec. 3808.052.    APPOINTMENT OF DIRECTORS
- 9    Sec. 3808.053.    EX OFFICIO DIRECTORS
- 10   Sec. 3808.054.    CONFLICTS OF INTEREST
- 11                   [Sections 3808.055-3808.100 reserved for expansion]
- 12                   SUBCHAPTER C.    POWERS AND DUTIES
- 13   Sec. 3808.101.    DISTRICT POWERS
- 14   Sec. 3808.102.    NONPROFIT CORPORATION
- 15   Sec. 3808.103.    CONTRACTS; GRANTS; DONATIONS
- 16   Sec. 3808.104.    COMPETITIVE BIDDING
- 17   Sec. 3808.105.    ANNEXATION
- 18                   [Sections 3808.106-3808.150 reserved for expansion]
- 19                   SUBCHAPTER D.    FINANCIAL PROVISIONS
- 20   Sec. 3808.151.    PETITION REQUIRED FOR FINANCING SERVICES AND
- 21                   IMPROVEMENTS
- 22   Sec. 3808.152.    DISBURSEMENTS AND TRANSFERS OF MONEY
- 23   Sec. 3808.153.    BOARD VOTE REQUIRED TO IMPOSE TAXES,
- 24                   ASSESSMENTS, OR IMPACT FEES
- 25   Sec. 3808.154.    AUTHORITY TO IMPOSE AD VALOREM TAXES,
- 26                   ASSESSMENTS, OR IMPACT FEES
- 27   Sec. 3808.155.    MAINTENANCE TAX

1 Sec. 3808.156. ASSESSMENTS; LIEN FOR ASSESSMENTS

2 Sec. 3808.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
3 ASSESSMENTS

4 Sec. 3808.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

5 Sec. 3808.159. ELECTIONS REGARDING TAXES OR BONDS

6 [Sections 3808.160-3808.200 reserved for expansion]

7 SUBCHAPTER E. DISSOLUTION

8 Sec. 3808.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
9 DEBT

10 CHAPTER 3808. EAST DOWNTOWN MANAGEMENT DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 3808.001. DEFINITIONS. In this chapter:

13 (1) "Board" means the board of directors of the  
14 district.

15 (2) "District" means the East Downtown Management  
16 District. (Loc. Gov. Code, Secs. 376.303(1), (3).)

17 Sec. 3808.002. EAST DOWNTOWN MANAGEMENT DISTRICT. A  
18 special district known as the "East Downtown Management District"  
19 is a governmental agency and political subdivision of this state.  
20 (Loc. Gov. Code, Sec. 376.301(a).)

21 Sec. 3803.003. PURPOSE; DECLARATION OF INTENT. (a) The  
22 creation of the district is essential to accomplish the purposes of  
23 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
24 Texas Constitution, and other public purposes stated in this  
25 chapter. By creating the district and in authorizing Harris  
26 County, the City of Houston, and other political subdivisions to  
27 contract with the district, the legislature has established a

1 program to accomplish the public purposes set out in Section 52-a,  
2 Article III, Texas Constitution.

3 (b) The creation of the district is necessary to promote,  
4 develop, encourage, and maintain employment, commerce,  
5 transportation, housing, tourism, recreation, the arts,  
6 entertainment, economic development, safety, and the public  
7 welfare in the east downtown area of the city of Houston.

8 (c) This chapter and the creation of the district may not be  
9 interpreted to relieve Harris County or the City of Houston from  
10 providing the level of services provided as of June 19, 1999, to the  
11 area in the district or to release the county or the city from the  
12 obligations of each entity to provide services to that area. The  
13 district is created to supplement and not to supplant the county or  
14 city services provided in the area in the district. (Loc. Gov.  
15 Code, Secs. 376.301(c), 376.302.)

16 Sec. 3808.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
17 The district is created to serve a public use and benefit.

18 (b) All land and other property included in the district  
19 will benefit from the improvements and services to be provided by  
20 the district under powers conferred by Sections 52 and 52-a,  
21 Article III, and Section 59, Article XVI, Texas Constitution, and  
22 other powers granted under this chapter.

23 (c) The creation of the district is in the public interest  
24 and is essential to:

25 (1) further the public purposes of developing and  
26 diversifying the economy of the state;

27 (2) eliminate unemployment and underemployment; and

1           (3) develop or expand transportation and commerce.

2           (d) The district will:

3           (1) promote the health, safety, and general welfare of  
4 residents, employers, employees, visitors, and consumers in the  
5 district, and of the public;

6           (2) provide needed funding for the east downtown area  
7 of the city of Houston to preserve, maintain, and enhance the  
8 economic health and vitality of the area as a community and business  
9 center; and

10          (3) promote the health, safety, welfare, and enjoyment  
11 of the public by providing pedestrian ways and by landscaping and  
12 developing certain areas in the district, which are necessary for  
13 the restoration, preservation, and enhancement of scenic and  
14 aesthetic beauty.

15          (e) Pedestrian ways along or across a street, whether at  
16 grade or above or below the surface, and street lighting, street  
17 landscaping, and street art objects are parts of and necessary  
18 components of a street and are considered to be a street or road  
19 improvement.

20          (f) The district will not act as the agent or  
21 instrumentality of any private interest even though the district  
22 will benefit many private interests as well as the public. (Loc.  
23 Gov. Code, Sec. 376.306.)

24          Sec. 3808.005. DISTRICT TERRITORY. (a) The district is  
25 composed of the territory described by Section 1, Chapter 1493,  
26 Acts of the 76th Legislature, Regular Session, 1999, enacting  
27 former Section 376.304, Local Government Code, as that territory

1 may have been modified under:

2 (1) Section 3808.105 or its predecessor statute,  
3 former Section 376.327, Local Government Code;

4 (2) Subchapter J, Chapter 49, Water Code; or

5 (3) other law.

6 (b) The boundaries and field notes of the district contained  
7 in Section 1, Chapter 1493, Acts of the 76th Legislature, Regular  
8 Session, 1999, enacting former Section 376.304, Local Government  
9 Code, form a closure. A mistake in the field notes or in copying the  
10 field notes in the legislative process does not in any way affect:

11 (1) the district's organization, existence, and  
12 validity;

13 (2) the district's right to issue any type of bond,  
14 including a refunding bond, for a purpose for which the district is  
15 created or to pay the principal of and interest on the bond;

16 (3) the district's right to impose and collect an  
17 assessment or tax; or

18 (4) the legality or operation of the district or the  
19 board. (Loc. Gov. Code, Sec. 376.305; New.)

20 Sec. 3808.006. APPLICABILITY OF OTHER LAW. Except as  
21 otherwise provided by this chapter, Chapter 375, Local Government  
22 Code, applies to the district, the board, and district employees.  
23 (Loc. Gov. Code, Secs. 376.307, 376.311 (part).)

24 Sec. 3808.007. RELATION TO OTHER LAW. This chapter  
25 prevails over any provision of general law, including a law to which  
26 this chapter refers that is in conflict with or is inconsistent with  
27 this chapter. (Loc. Gov. Code, Sec. 376.314 (part).)

1           Sec. 3808.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
2 chapter shall be liberally construed in conformity with the  
3 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
4 376.308.)

5           [Sections 3808.009-3808.050 reserved for expansion]

6                       SUBCHAPTER B. BOARD OF DIRECTORS

7           Sec. 3808.051. BOARD OF DIRECTORS; TERMS. (a) The  
8 district is governed by a board of 17 directors who serve staggered  
9 terms of four years, with nine directors' terms expiring June 1 of  
10 an odd-numbered year and eight directors' terms expiring June 1 of  
11 the following odd-numbered year.

12           (b) The board by resolution may increase or decrease the  
13 number of directors on the board, but only if it is in the best  
14 interest of the district to do so. The board may not:

15                   (1) increase the number of directors to more than 30;  
16 or

17                   (2) decrease the number of directors to fewer than  
18 nine. (Loc. Gov. Code, Sec. 376.309(a).)

19           Sec. 3808.052. APPOINTMENT OF DIRECTORS. The mayor and  
20 members of the governing body of the City of Houston shall appoint  
21 directors from persons recommended by the board who meet the  
22 qualifications prescribed by Subchapter D, Chapter 375, Local  
23 Government Code. (Loc. Gov. Code, Sec. 376.310 (part).)

24           Sec. 3808.053. EX OFFICIO DIRECTORS. (a) The following  
25 persons serve as nonvoting ex officio directors:

26                   (1) the directors of the parks and recreation,  
27 planning and development, public works, and civic center



1 departments of the City of Houston;

2 (2) the chief of police of the City of Houston;

3 (3) the general manager of the Metropolitan Transit  
4 Authority of Harris County, Texas; and

5 (4) the president of each institution of higher  
6 learning located in the district.

7 (b) If a department described by Subsection (a) is  
8 consolidated, renamed, or changed, the board may appoint a director  
9 of the consolidated, renamed, or changed department as a nonvoting  
10 ex officio director. If a department described by Subsection (a) is  
11 abolished, the board may appoint a representative of another  
12 department of the City of Houston that performs duties comparable  
13 to those performed by the abolished department.

14 (c) The board may appoint the presiding officer of a  
15 nonprofit corporation that is actively involved in activities in  
16 the east downtown area of the city of Houston to serve as a  
17 nonvoting ex officio director. (Loc. Gov. Code, Sec. 376.3125.)

18 Sec. 3808.054. CONFLICTS OF INTEREST. (a) Except as  
19 provided by this section:

20 (1) a director may participate in all board votes and  
21 decisions; and

22 (2) Chapter 171, Local Government Code, governs  
23 conflicts of interest of directors.

24 (b) Section 171.004, Local Government Code, does not apply  
25 to the district. A director who has a substantial interest in a  
26 business or charitable entity that will receive a pecuniary benefit  
27 from a board action shall file an affidavit with the board secretary

1 declaring the interest. Another affidavit is not required if the  
2 director's interest changes.

3 (c) After the affidavit is filed, the director may  
4 participate in a discussion or vote on that action if:

5 (1) a majority of the directors have a similar  
6 interest in the same entity; or

7 (2) all other similar business or charitable entities  
8 in the district will receive a similar pecuniary benefit.

9 (d) A director who is also an officer or employee of a public  
10 entity may not participate in a discussion of or vote on a matter  
11 regarding a contract with that same public entity.

12 (e) For purposes of this section, a director has a  
13 substantial interest in a charitable entity in the same manner that  
14 a person would have a substantial interest in a business entity  
15 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
16 Sec. 376.3128.)

17 [Sections 3808.055-3808.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 3808.101. DISTRICT POWERS. The district has:

20 (1) all powers necessary to accomplish the purposes  
21 for which the district was created;

22 (2) the powers given to a corporation under Section  
23 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
24 Texas Civil Statutes), and the power to own, operate, acquire,  
25 construct, lease, improve, and maintain projects; and

26 (3) the powers given to a housing finance corporation  
27 created under Chapter 394, Local Government Code, to provide

1 housing or residential development projects in the district. (Loc.  
2 Gov. Code, Sec. 376.311 (part).)

3 Sec. 3808.102. NONPROFIT CORPORATION. (a) The board by  
4 resolution may authorize the creation of a nonprofit corporation to  
5 assist and act for the district in implementing a project or  
6 providing a service authorized by this chapter.

7 (b) The nonprofit corporation:

8 (1) has each power of and is considered for purposes of  
9 this chapter to be a local government corporation created under  
10 Chapter 431, Transportation Code; and

11 (2) may implement any project and provide any service  
12 authorized by this chapter.

13 (c) The board shall appoint the board of directors of the  
14 nonprofit corporation. The board of directors of the nonprofit  
15 corporation shall serve in the same manner as, for the same term as,  
16 and on the conditions of the board of directors of a local  
17 government corporation created under Chapter 431, Transportation  
18 Code. (Loc. Gov. Code, Sec. 376.316.)

19 Sec. 3808.103. CONTRACTS; GRANTS; DONATIONS. (a) To  
20 protect the public interest, the district may contract with Harris  
21 County or the City of Houston for the county or the city to provide  
22 law enforcement services in the district for a fee.

23 (b) Harris County, the City of Houston, or another political  
24 subdivision of this state, without further authorization, may  
25 contract with the district to implement a project of the district or  
26 assist the district in providing a service authorized under this  
27 chapter. A contract under this subsection may:

- 1           (1) be for a period on which the parties agree;
- 2           (2) include terms on which the parties agree;
- 3           (3) be payable from taxes or any other source of
- 4 revenue that may be available for that project or service; or
- 5           (4) provide terms under which taxes or other revenue
- 6 collected at a district project or from a person using or purchasing
- 7 a commodity or service at a district project may be paid or rebated
- 8 to the district.

9           (c) The district may enter into a contract, lease, or other  
10 agreement with or make or accept a grant or loan to or from, or  
11 accept a donation from, any person, including:

- 12           (1) the United States;
- 13           (2) this state or a state agency;
- 14           (3) any political subdivision of this state; and
- 15           (4) a public or private corporation, including a
- 16 nonprofit corporation created by the board under this subchapter.

17           (d) The district may perform all acts necessary for the full  
18 exercise of the powers vested in the district on terms and for the  
19 period the board determines advisable.

20           (e) The implementation of a project is a governmental  
21 function or service for purposes of Chapter 791, Government Code.  
22 (Loc. Gov. Code, Secs. 376.325, 376.328.)

23           Sec. 3808.104. COMPETITIVE BIDDING. Section 375.221, Local  
24 Government Code, does not apply to a district contract for \$25,000  
25 or less. (Loc. Gov. Code, Sec. 376.326.)

26           Sec. 3808.105. ANNEXATION. In addition to the authority to  
27 annex territory under Subchapter C, Chapter 375, Local Government

Code, the district has the authority to annex territory located in a reinvestment zone created by the City of Houston under Chapter 311, Tax Code, if the city's governing body consents to the annexation. (Loc. Gov. Code, Sec. 376.327.)

[Sections 3808.106-3808.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3808.151. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS. (a) The board may not finance a service or an improvement project under this chapter unless a written petition requesting that service or improvement is filed with the board.

(b) The petition must be signed by:

(1) the owners of a majority of the assessed value of real property in the district according to the most recent certified tax appraisal roll for Harris County; or

(2) at least 50 owners of land in the district, if more than 50 persons own property in the district according to the most recent certified tax appraisal roll for Harris County. (Loc. Gov. Code, Sec. 376.315.)

Sec. 3808.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money. (Loc. Gov. Code, Sec. 376.317.)

Sec. 3808.153. BOARD VOTE REQUIRED TO IMPOSE TAXES, ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment, or impact fee requires a vote of a majority of the directors serving. (Loc. Gov. Code, Sec. 376.309(b) (part).)

Sec. 3808.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,

1 ASSESSMENTS, OR IMPACT FEES. The district may impose an ad valorem  
2 tax, assessment, or impact fee as provided by Chapter 375, Local  
3 Government Code, to provide an improvement or service for a project  
4 or activity the district may acquire, construct, improve, or  
5 provide under this chapter. (Loc. Gov. Code, Sec. 376.311 (part).)

6 Sec. 3808.155. MAINTENANCE TAX. (a) If authorized at an  
7 election held in accordance with Section 3808.159, the district may  
8 impose an annual ad valorem tax on taxable property in the district  
9 to:

10 (1) maintain and operate the district and the  
11 improvements constructed or acquired by the district; or

12 (2) provide a service.

13 (b) The board shall determine the tax rate. (Loc. Gov.  
14 Code, Sec. 376.323.)

15 Sec. 3808.156. ASSESSMENTS; LIEN FOR ASSESSMENTS. (a) The  
16 board by resolution may impose and collect an assessment for any  
17 purpose authorized by this chapter.

18 (b) An assessment, a reassessment, or an assessment  
19 resulting from an addition to or correction of the assessment roll  
20 by the district, penalties and interest on an assessment or  
21 reassessment, an expense of collection, and reasonable attorney's  
22 fees incurred by the district:

23 (1) are a first and prior lien against the property  
24 assessed;

25 (2) are superior to any other lien or claim other than  
26 a lien or claim for county, school district, or municipal ad valorem  
27 taxes; and

1           (3) are the personal liability of and charge against  
2 the owners of the property even if the owners are not named in the  
3 assessment proceeding.

4           (c) The lien is effective from the date of the board's  
5 resolution imposing the assessment until the date the assessment is  
6 paid. The board may enforce the lien in the same manner that the  
7 board may enforce an ad valorem tax lien against real property.

8           (d) The board may correct, add to, or delete assessments  
9 from its assessment rolls after notice and hearing as provided by  
10 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
11 Secs. 376.311 (part), 376.319.)

12           Sec. 3808.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
13 ASSESSMENTS. The district may not impose:

14           (1) a tax, impact fee, or assessment on a residential  
15 property or condominium; or

16           (2) an impact fee or assessment on the property,  
17 equipment, or facilities of a person that provides to the public  
18 cable television, gas, light, power, telephone, sewage, or water  
19 service. (Loc. Gov. Code, Secs. 376.303(5), 376.320.)

20           Sec. 3808.158. OBLIGATIONS; APPROVAL BY CITY OF  
21 HOUSTON. (a) The district may issue bonds or other obligations  
22 payable in whole or in part from ad valorem taxes, assessments,  
23 impact fees, revenue, grants, or other money of the district, or any  
24 combination of those sources of money, to pay for any authorized  
25 purpose of the district.

26           (b) In exercising the district's borrowing power, the  
27 district may issue a bond or other obligation in the form of a bond,

1 note, certificate of participation or other instrument evidencing a  
2 proportionate interest in payments to be made by the district, or  
3 other type of obligation.

4 (c) Except as provided by Subsection (d), the district must  
5 obtain the approval of the City of Houston:

6 (1) for the issuance of a bond for each improvement  
7 project;

8 (2) of the plans and specifications of the improvement  
9 project to be financed by the bond; and

10 (3) of the plans and specifications of a district  
11 improvement project related to:

12 (A) the use of land owned by the City of Houston;

13 (B) an easement granted by the City of Houston;

14 or

15 (C) a right-of-way of a street, road, or highway.

16 (d) If the district obtains the approval of the City of  
17 Houston of a capital improvements budget for a specified period not  
18 to exceed five years, the district may finance the capital  
19 improvements and issue bonds specified in the budget without  
20 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
21 376.318(a), (b) (part), (c), (d).)

22 Sec. 3808.159. ELECTIONS REGARDING TAXES OR  
23 BONDS. (a) In addition to the elections required under  
24 Subchapter L, Chapter 375, Local Government Code, the district must  
25 hold an election in the manner provided by that subchapter to obtain  
26 voter approval before the district may:

27 (1) impose a maintenance tax; or



1           (2) issue a bond payable from ad valorem taxes or  
2 assessments.

3           (b) The board may submit multiple purposes in a single  
4 proposition at an election. (Loc. Gov. Code, Sec. 376.321.)

5           [Sections 3808.160-3808.200 reserved for expansion]

6                       SUBCHAPTER E. DISSOLUTION

7           Sec. 3808.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
8 DEBT. If the district has debt when it is dissolved, the district  
9 shall remain in existence solely for the purpose of discharging its  
10 other obligations according to their terms. (Loc. Gov. Code, Sec.  
11 376.324 (part).)

12                      CHAPTER 3809. MIDTOWN MANAGEMENT DISTRICT

13                               SUBCHAPTER A. GENERAL PROVISIONS

14       Sec. 3809.001. DEFINITIONS

15       Sec. 3809.002. MIDTOWN MANAGEMENT DISTRICT

16       Sec. 3809.003. PURPOSE; DECLARATION OF INTENT

17       Sec. 3809.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

18       Sec. 3809.005. DISTRICT TERRITORY

19       Sec. 3809.006. APPLICABILITY OF OTHER LAW

20       Sec. 3809.007. LIBERAL CONSTRUCTION OF CHAPTER

21           [Sections 3809.008-3809.050 reserved for expansion]

22                               SUBCHAPTER B. BOARD OF DIRECTORS

23       Sec. 3809.051. BOARD OF DIRECTORS; TERMS

24       Sec. 3809.052. APPOINTMENT OF DIRECTORS; IMMUNITY

25       Sec. 3809.053. EX OFFICIO DIRECTORS

26       Sec. 3809.054. CONFLICTS OF INTEREST

27           [Sections 3809.055-3809.100 reserved for expansion]

1 SUBCHAPTER C. POWERS AND DUTIES

2 Sec. 3809.101. DISTRICT POWERS

3 Sec. 3809.102. NONPROFIT CORPORATION

4 Sec. 3809.103. AGREEMENTS, DONATIONS, GRANTS, AND LOANS

5 Sec. 3809.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT

6 Sec. 3809.105. COMPETITIVE BIDDING

7 Sec. 3809.106. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS

8 Sec. 3809.107. ANNEXATION

9 [Sections 3809.108-3809.150 reserved for expansion]

10 SUBCHAPTER D. FINANCIAL PROVISIONS

11 Sec. 3809.151. PETITION REQUIRED FOR FINANCING SERVICES  
12 AND IMPROVEMENTS

13 Sec. 3809.152. DISBURSEMENTS AND TRANSFERS OF MONEY

14 Sec. 3809.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
15 ASSESSMENTS, AND IMPACT FEES

16 Sec. 3809.154. MAINTENANCE TAX

17 Sec. 3809.155. ASSESSMENTS; LIENS FOR ASSESSMENTS

18 Sec. 3809.156. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS AND  
19 IMPACT FEES

20 Sec. 3809.157. CERTAIN RESIDENTIAL PROPERTY NOT EXEMPT

21 Sec. 3809.158. ELECTIONS REGARDING TAXES OR BONDS

22 Sec. 3809.159. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
23 OBLIGATIONS

24 [Sections 3809.160-3809.200 reserved for expansion]

25 SUBCHAPTER E. DISSOLUTION

26 Sec. 3809.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
27 DEBT

CHAPTER 3809. MIDTOWN MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3809.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "District" means the Midtown Management District. (Loc. Gov. Code, Secs. 376.353(1), (3).)

Sec. 3809.002. MIDTOWN MANAGEMENT DISTRICT. The Midtown Management District is a special district created under Section 59, Article XVI, Texas Constitution. (Loc. Gov. Code, Sec. 376.351(a).)

Sec. 3809.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing Harris County, the City of Houston, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the midtown area of the city of Houston.

(c) This chapter and the creation of the district may not be interpreted to relieve Harris County or the City of Houston from

1 providing the level of services provided as of August 30, 1999, to  
2 the area in the district or to release the county or the city from  
3 the obligations of each entity to provide services to that area.  
4 The district is created to supplement and not to supplant the county  
5 or city services provided in the area in the district. (Loc. Gov.  
6 Code, Secs. 376.351(c), 376.352.)

7       Sec. 3809.004. FINDINGS OF BENEFIT AND PUBLIC  
8 PURPOSE. (a) The district is created to serve a public use and  
9 benefit.

10       (b) All land and other property included in the district  
11 will benefit from the improvements and services to be provided by  
12 the district under powers conferred by Sections 52 and 52-a,  
13 Article III, and Section 59, Article XVI, Texas Constitution, and  
14 other powers granted under this chapter.

15       (c) The creation of the district is in the public interest  
16 and is essential to:

17           (1) further the public purposes of developing and  
18 diversifying the economy of the state;

19           (2) eliminate unemployment and underemployment; and

20           (3) develop or expand transportation and commerce.

21       (d) The district will:

22           (1) promote the health, safety, and general welfare of  
23 residents, employers, employees, visitors, and consumers in the  
24 district, and of the public;

25           (2) provide needed funding for the midtown area of the  
26 city of Houston to preserve, maintain, and enhance the economic  
27 health and vitality of the area as a community and business center;

1 and

2 (3) promote the health, safety, welfare, and enjoyment  
3 of the public by providing pedestrian ways and by landscaping and  
4 developing certain areas in the district, which are necessary for  
5 the restoration, preservation, and enhancement of scenic and  
6 aesthetic beauty.

7 (e) Pedestrian ways along or across a street, whether at  
8 grade or above or below the surface, and street lighting, street  
9 landscaping, and street art objects are parts of and necessary  
10 components of a street and are considered to be a street or road  
11 improvement.

12 (f) The district will not act as the agent or  
13 instrumentality of any private interest even though the district  
14 will benefit many private interests as well as the public. (Loc.  
15 Gov. Code, Sec. 376.356.)

16 Sec. 3809.005. DISTRICT TERRITORY. (a) The district is  
17 composed of the territory described by Section 1, Chapter 1017,  
18 Acts of the 76th Legislature, Regular Session, 1999, enacting  
19 former Section 376.304, Local Government Code, as that territory  
20 may have been modified under:

21 (1) Section 3809.107 or its predecessor statutes,  
22 former Section 376.316, Local Government Code, as added by Chapter  
23 1017, Acts of the 76th Legislature, Regular Session, 1999, and  
24 former Section 376.366, Local Government Code;

25 (2) Subchapter J, Chapter 49, Water Code; or

26 (3) other law.

27 (b) The boundaries and field notes of the district contained

1 in Section 1, Chapter 1017, Acts of the 76th Legislature, Regular  
2 Session, 1999, enacting former Section 376.304, Local Government  
3 Code, form a closure. A mistake in the field notes or in copying the  
4 field notes in the legislative process does not affect the  
5 district's:

- 6 (1) organization, existence, or validity;
- 7 (2) right to issue any type of bond for a purpose for  
8 which the district is created or to pay the principal of and  
9 interest on a bond;
- 10 (3) right to impose or collect an assessment; or
- 11 (4) legality or operation. (Loc. Gov. Code, Sec.  
12 376.355; New.)

13 Sec. 3809.006. APPLICABILITY OF OTHER LAW. Except as  
14 otherwise provided by this chapter, Chapter 375, Local Government  
15 Code, applies to the district, the board, and district employees.  
16 (Loc. Gov. Code, Sec. 376.357.)

17 Sec. 3809.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
18 chapter shall be liberally construed in conformity with the  
19 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
20 376.358.)

21 [Sections 3809.008-3809.050 reserved for expansion]

22 SUBCHAPTER B. BOARD OF DIRECTORS

23 Sec. 3809.051. BOARD OF DIRECTORS; TERMS. (a) The  
24 district is governed by a board of 17 directors who serve staggered  
25 terms of four years with eight directors' terms expiring June 1 of  
26 an odd-numbered year and nine directors' terms expiring June 1 of  
27 the following odd-numbered year.

1           (b) A director shall receive compensation as provided by  
2 Section 49.060, Water Code. (Loc. Gov. Code, Sec. 376.359.)

3           Sec. 3809.052. APPOINTMENT OF DIRECTORS; IMMUNITY. (a)  
4 The mayor and members of the governing body of the City of Houston  
5 shall appoint directors from persons recommended by the board. A  
6 person is appointed if a majority of the members and the mayor vote  
7 to appoint that person.

8           (b) A person may not be appointed to the board if the  
9 appointment of that person would result in fewer than two-thirds of  
10 the directors being residents of the city of Houston.

11           (c) District directors are public officials entitled to  
12 governmental immunity for their official actions. (Loc. Gov. Code,  
13 Sec. 376.360.)

14           Sec. 3809.053. EX OFFICIO DIRECTORS. (a) The following  
15 persons serve as nonvoting ex officio directors:

16           (1) the directors of the parks and recreation,  
17 planning and development, public works, and civic center  
18 departments of the City of Houston;

19           (2) the chief of police of the City of Houston;

20           (3) Harris County's general manager of the  
21 Metropolitan Transit Authority of Harris County, Texas; and

22           (4) the president of each institution of higher  
23 learning located in the district.

24           (b) If a department described by Subsection (a) is  
25 consolidated, renamed, or changed, the board may appoint a director  
26 of the consolidated, renamed, or changed department as a nonvoting  
27 ex officio director. If a department described by Subsection (a) is

1 abolished, the board may appoint a representative of another  
2 department of the City of Houston that performs duties comparable  
3 to those performed by the abolished department.

4 (c) The board may appoint the presiding officer of a  
5 nonprofit corporation that is actively involved in activities in  
6 the midtown area of the city of Houston to serve as a nonvoting ex  
7 officio director. (Loc. Gov. Code, Sec. 376.361.)

8 Sec. 3809.054. CONFLICTS OF INTEREST. (a) Except as  
9 provided by this section:

10 (1) a director may participate in all board votes and  
11 decisions; and

12 (2) Chapter 171, Local Government Code, governs  
13 conflicts of interest of board members.

14 (b) Section 171.004, Local Government Code, does not apply  
15 to the district. A director who has a substantial interest in a  
16 business or charitable entity that will receive a pecuniary benefit  
17 from a board action shall file an affidavit with the board secretary  
18 declaring the interest. Another affidavit is not required if the  
19 director's interest changes.

20 (c) After the affidavit is filed, the director may  
21 participate in a discussion or vote on that action if:

22 (1) a majority of the directors have a similar  
23 interest in the same entity; or

24 (2) all other similar business or charitable entities  
25 in the district will receive a similar pecuniary benefit.

26 (d) A director who is also an officer or employee of a public  
27 entity may not participate in a discussion of or vote on a matter



1 regarding a contract with that same public entity.

2 (e) For purposes of this section, a director has a  
3 substantial interest in a charitable entity in the same manner that  
4 a person would have a substantial interest in a business entity  
5 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
6 Sec. 376.362.)

7 [Sections 3809.055-3809.100 reserved for expansion]

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 3809.101. DISTRICT POWERS. The district may exercise  
10 the powers given to:

11 (1) a corporation created under Section 4B,  
12 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
13 Civil Statutes); and

14 (2) a housing finance corporation created under  
15 Chapter 394, Local Government Code, to provide housing or  
16 residential development projects in the district. (Loc. Gov. Code,  
17 Secs. 376.363(a), (b).)

18 Sec. 3809.102. NONPROFIT CORPORATION. (a) The board by  
19 resolution may authorize the creation of a nonprofit corporation to  
20 assist and act for the district in implementing a project or  
21 providing a service authorized by this chapter.

22 (b) The nonprofit corporation:

23 (1) has each power of and is considered for purposes of  
24 this chapter to be a local government corporation created under  
25 Chapter 431, Transportation Code; and

26 (2) may implement any project and provide any service  
27 authorized by this chapter.

1           (c) The board shall appoint the board of directors of the  
2 nonprofit corporation. The board of directors of the nonprofit  
3 corporation shall serve in the same manner as, for the same term as,  
4 and on the conditions of the board of directors of a local  
5 government corporation created under Chapter 431, Transportation  
6 Code. (Loc. Gov. Code, Sec. 376.365.)

7           Sec. 3809.103. AGREEMENTS, DONATIONS, GRANTS, AND  
8 LOANS. (a) The district may enter into an agreement with or  
9 accept a donation, grant, or loan from any person.

10          (b) The implementation of a project is a governmental  
11 function or service for the purposes of Chapter 791, Government  
12 Code. (Loc. Gov. Code, Secs. 376.364(a), (b).)

13          Sec. 3809.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
14 To protect the public interest, the district may contract with  
15 Harris County or the City of Houston for the county or the city to  
16 provide law enforcement services in the district for a fee. (Loc.  
17 Gov. Code, Sec. 376.364(c).)

18          Sec. 3809.105. COMPETITIVE BIDDING. Section 375.221, Local  
19 Government Code, does not apply to a district contract for \$25,000  
20 or less. (Loc. Gov. Code, Sec. 376.375.)

21          Sec. 3809.106. APPROVAL OF CERTAIN IMPROVEMENT  
22 PROJECTS. (a) Except as provided by Subsection (b), the district  
23 must obtain the approval of the City of Houston's governing body:

24               (1) for the issuance of a bond for each improvement  
25 project;

26               (2) of the plans and specifications of an improvement  
27 project financed by the bond; and

1           (3) of the plans and specifications of any district  
2 improvement project related to the use of land owned by the City of  
3 Houston, an easement granted by the City of Houston, or a  
4 right-of-way of a street, road, or highway.

5           (b) If the district obtains the approval of the City of  
6 Houston's governing body of a capital improvements budget for a  
7 period not to exceed five years, the district may finance the  
8 capital improvements and issue bonds specified in the budget  
9 without further approval of the City of Houston. (Loc. Gov. Code,  
10 Secs. 376.373(a), (b), (c).)

11           Sec. 3809.107. ANNEXATION. In addition to the authority to  
12 annex territory under Subchapter C, Chapter 375, Local Government  
13 Code, the district has the authority to annex territory located in a  
14 reinvestment zone created by the City of Houston under Chapter 311,  
15 Tax Code, if the city's governing body consents to the annexation.  
16 (Loc. Gov. Code, Sec. 376.366.)

17           [Sections 3809.108-3809.150 reserved for expansion]

18                   SUBCHAPTER D. FINANCIAL PROVISIONS

19           Sec. 3809.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
20 IMPROVEMENTS. (a) The board may not finance a service or an  
21 improvement project under this chapter unless a written petition  
22 requesting that service or improvement is filed with the board.

23           (b) The petition must be signed by:

24                   (1) the owners of a majority of the assessed value of  
25 real property in the district according to the most recent  
26 certified tax appraisal roll for Harris County; or

27                   (2) at least 25 owners of land in the district, if more

1 than 25 persons own property in the district according to the most  
2 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
3 Code, Sec. 376.367.)

4 Sec. 3809.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
5 board by resolution shall establish the number of directors'  
6 signatures and the procedure required for a disbursement or  
7 transfer of the district's money. (Loc. Gov. Code, Sec. 376.374.)

8 Sec. 3809.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
9 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
10 tax, assessment, or impact fee as provided by Chapter 375, Local  
11 Government Code, on all property in the district, including  
12 industrial, commercial, or residential property, to finance:

13 (1) an improvement this chapter authorizes the  
14 district to construct or acquire; or

15 (2) a service this chapter authorizes the district to  
16 provide. (Loc. Gov. Code, Sec. 376.363(c).)

17 Sec. 3809.154. MAINTENANCE TAX. (a) If authorized at an  
18 election held in accordance with Section 3809.158, the district may  
19 impose an annual ad valorem tax on taxable property in the district  
20 to:

21 (1) maintain and operate the district and the  
22 improvements constructed or acquired by the district; or

23 (2) provide a service.

24 (b) The board shall determine the tax rate. (Loc. Gov.  
25 Code, Sec. 376.369.)

26 Sec. 3809.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
27 The board by resolution may impose and collect an assessment for any

1 purpose authorized by this chapter.

2 (b) An assessment, including an assessment resulting from  
3 an addition to or correction of the assessment roll by the district,  
4 a reassessment, penalties and interest on an assessment or  
5 reassessment, an expense of collection, and reasonable attorney's  
6 fees incurred by the district:

7 (1) are a first and prior lien against the property  
8 assessed;

9 (2) are superior to any other lien or claim other than  
10 a lien or claim for county, school district, or municipal ad valorem  
11 taxes; and

12 (3) are the personal liability of and a charge against  
13 the owners of the property even if the owners are not named in the  
14 assessment proceedings.

15 (c) The lien is effective from the date of the board's  
16 resolution imposing the assessment until the date the assessment is  
17 paid. The board may enforce the lien in the same manner that the  
18 board may enforce an ad valorem tax lien against real property.  
19 (Loc. Gov. Code, Sec. 376.370.)

20 Sec. 3809.156. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS AND  
21 IMPACT FEES. The district may not impose an assessment or impact  
22 fee on the property of a person that provides to the public gas,  
23 electricity, telephone, sewage, or water service. (Loc. Gov. Code,  
24 Secs. 376.353(5), 376.372.)

25 Sec. 3809.157. CERTAIN RESIDENTIAL PROPERTY NOT EXEMPT.  
26 Section 375.161, Local Government Code, does not apply to the  
27 district. (Loc. Gov. Code, Sec. 376.371.)

1           Sec. 3809.158. ELECTIONS           REGARDING           TAXES           OR  
2 BONDS. (a) In addition to the elections required under  
3 Subchapter L, Chapter 375, Local Government Code, the district must  
4 hold an election in the manner provided by that subchapter to obtain  
5 voter approval before the district may:

6                   (1) impose a maintenance tax; or  
7                   (2) issue a bond payable from ad valorem taxes or  
8 assessments.

9           (b) The board may include more than one purpose in a single  
10 proposition at an election. (Loc. Gov. Code, Sec. 376.368.)

11           Sec. 3809.159. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
12 OBLIGATIONS. Except as provided by Section 375.263, Local  
13 Government Code, a municipality is not required to pay a bond, note,  
14 or other obligation of the district. (Loc. Gov. Code, Sec.  
15 376.373(d).)

16           [Sections 3809.160-3809.200 reserved for expansion]

17                           SUBCHAPTER E. DISSOLUTION

18           Sec. 3809.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
19 DEBT. (a) The board may dissolve the district regardless of  
20 whether the district has debt. Section 375.264, Local Government  
21 Code, does not apply to the district.

22           (b) If the district has debt when it is dissolved, the  
23 district shall remain in existence solely for the purpose of  
24 discharging its debts. The dissolution is effective when all debts  
25 have been discharged. (Loc. Gov. Code, Sec. 376.376.)

26           CHAPTER 3810. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT NO. 1

27                           SUBCHAPTER A. GENERAL PROVISIONS

1    Sec. 3810.001.    DEFINITIONS  
2    Sec. 3810.002.    HARRIS COUNTY MUNICIPAL MANAGEMENT  
3                                DISTRICT NO. 1  
4    Sec. 3810.003.    PURPOSE; DECLARATION OF INTENT  
5    Sec. 3810.004.    FINDINGS OF BENEFIT AND PUBLIC PURPOSE  
6    Sec. 3810.005.    DISTRICT TERRITORY  
7    Sec. 3810.006.    APPLICABILITY OF OTHER LAW  
8    Sec. 3810.007.    LIBERAL CONSTRUCTION OF CHAPTER  
9                                [Sections 3810.008-3810.050 reserved for expansion]  
10                              SUBCHAPTER B.    BOARD OF DIRECTORS  
11    Sec. 3810.051.    BOARD OF DIRECTORS; TERMS  
12    Sec. 3810.052.    APPOINTMENT OF DIRECTORS  
13    Sec. 3810.053.    EX OFFICIO DIRECTORS  
14    Sec. 3810.054.    CONFLICTS OF INTEREST  
15                              [Sections 3810.055-3810.100 reserved for expansion]  
16                              SUBCHAPTER C.    POWERS AND DUTIES  
17    Sec. 3810.101.    DISTRICT POWERS  
18    Sec. 3810.102.    NONPROFIT CORPORATION  
19    Sec. 3810.103.    AGREEMENTS, DONATIONS, GRANTS, AND  
20                              LOANS  
21    Sec. 3810.104.    AUTHORITY TO CONTRACT FOR LAW  
22                              ENFORCEMENT  
23    Sec. 3810.105.    COMPETITIVE BIDDING  
24    Sec. 3810.106.    APPROVAL BY CITY OF HOUSTON  
25    Sec. 3810.107.    ANNEXATION  
26                              [Sections 3810.108-3810.150 reserved for expansion]  
27                              SUBCHAPTER D.    FINANCIAL PROVISIONS

1 Sec. 3810.151. PETITION REQUIRED FOR FINANCING

2 SERVICES AND IMPROVEMENTS

3 Sec. 3810.152. DISBURSEMENTS AND TRANSFERS OF MONEY

4 Sec. 3810.153. MAINTENANCE TAX

5 Sec. 3810.154. ASSESSMENTS; LIENS FOR ASSESSMENTS

6 Sec. 3810.155. UTILITY PROPERTY EXEMPT FROM IMPACT

7 FEES AND ASSESSMENTS

8 Sec. 3810.156. ELECTIONS REGARDING TAXES OR BONDS

9 Sec. 3810.157. MUNICIPALITY NOT OBLIGATED TO PAY

10 DISTRICT OBLIGATIONS

11 [Sections 3810.158-3810.200 reserved for expansion]

12 SUBCHAPTER E. DISSOLUTION

13 Sec. 3810.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

14 DEBT

15 CHAPTER 3810. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT NO. 1

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 3810.001. DEFINITIONS. In this chapter:

18 (1) "Board" means the board of directors of the  
19 district.

20 (2) "District" means the Harris County Municipal  
21 Management District No. 1. (Loc. Gov. Code, Secs. 376.403(1),  
22 (3).)

23 Sec. 3810.002. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT  
24 NO. 1. The Harris County Municipal Management District No. 1 is a  
25 special district created under Section 59, Article XVI, Texas  
26 Constitution. (Loc. Gov. Code, Sec. 376.401(a).)

27 Sec. 3810.003. PURPOSE; DECLARATION OF INTENT. (a) The



1 creation of the district is essential to accomplish the purposes of  
2 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
3 Texas Constitution, and other public purposes stated in this  
4 chapter. By creating the district and in authorizing Harris  
5 County, the City of Houston, and other political subdivisions to  
6 contract with the district, the legislature has established a  
7 program to accomplish the public purposes set out in Section 52-a,  
8 Article III, Texas Constitution.

9 (b) The creation of the district is necessary to promote,  
10 develop, encourage, and maintain employment, commerce,  
11 transportation, housing, tourism, recreation, the arts,  
12 entertainment, economic development, safety, and the public  
13 welfare in the district.

14 (c) This chapter and the creation of the district may not be  
15 interpreted to relieve Harris County or the City of Houston from  
16 providing the level of services provided as of June 18, 1999, to the  
17 area in the district or to release the county or the city from the  
18 obligations of each entity to provide services to that area. The  
19 district is created to supplement and not to supplant the county or  
20 city services provided in the area in the district. (Loc. Gov.  
21 Code, Secs. 376.401(c), 376.402.)

22 Sec. 3810.004. FINDINGS OF BENEFIT AND PUBLIC  
23 PURPOSE. (a) The district is created to serve a public use and  
24 benefit.

25 (b) All land and other property included in the district  
26 will benefit from the improvements and services to be provided by  
27 the district under powers conferred by Sections 52 and 52-a,

1 Article III, and Section 59, Article XVI, Texas Constitution, and  
2 other powers granted under this chapter.

3 (c) The creation of the district is in the public interest  
4 and is essential to:

5 (1) further the public purposes of developing and  
6 diversifying the economy of the state;

7 (2) eliminate unemployment and underemployment; and

8 (3) develop or expand transportation and commerce.

9 (d) The district will:

10 (1) promote the health, safety, and general welfare of  
11 residents, employers, employees, visitors, and consumers in the  
12 district and of the public;

13 (2) provide needed funding to preserve, maintain, and  
14 enhance the economic health and vitality of the area as a community  
15 and business center; and

16 (3) promote the health, safety, welfare, and enjoyment  
17 of the public by providing pedestrian ways and by landscaping and  
18 developing certain areas in the district, which are necessary for  
19 the restoration, preservation, and enhancement of scenic and  
20 aesthetic beauty.

21 (e) Pedestrian ways along or across a street, whether at  
22 grade or above or below the surface, and street lighting, street  
23 landscaping, and street art objects are parts of and necessary  
24 components of a street and are considered to be a street or road  
25 improvement.

26 (f) The district may not act as the agent or instrumentality  
27 of any private interest even though the district will benefit many

private interests as well as the public. (Loc. Gov. Code, Sec. 376.406.)

Sec. 3810.005. DISTRICT TERRITORY. (a) The district is composed of the territory described by Chapter 1324, Acts of the 76th Legislature, Regular Session, 1999, enacting former Section 376.304, Local Government Code, as that territory may have been modified under:

(1) Section 3810.107, or its predecessor statutes, former Section 376.316, Local Government Code, as added by Chapter 1324, Acts of the 76th Legislature, Regular Session, 1999, and former Section 376.416, Local Government Code;

(2) Subchapter J, Chapter 49, Water Code; or

(3) other law.

(b) The boundaries and field notes of the district contained in Chapter 1324, Acts of the 76th Legislature, Regular Session, 1999, enacting former Section 376.304, Local Government Code, form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for a purpose for which the district is created or to pay the principal of and interest on the bond;

(3) right to impose or collect an assessment or tax; or

(4) legality or operation. (Loc. Gov. Code, Sec. 376.405; New.)

Sec. 3810.006. APPLICABILITY OF OTHER LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government

1 Code, applies to the district. (Loc. Gov. Code, Sec. 376.407.)

2 Sec. 3810.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
3 chapter shall be liberally construed in conformity with the  
4 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
5 376.408.)

6 [Sections 3810.008-3810.050 reserved for expansion]

7 SUBCHAPTER B. BOARD OF DIRECTORS

8 Sec. 3810.051. BOARD OF DIRECTORS; TERMS. (a) The  
9 district is governed by a board of 11 directors who serve staggered  
10 terms of four years.

11 (b) A director shall receive compensation as provided by  
12 Section 49.060, Water Code. (Loc. Gov. Code, Sec. 376.409.)

13 Sec. 3810.052. APPOINTMENT OF DIRECTORS. (a) The mayor  
14 and members of the governing body of the City of Houston shall  
15 appoint directors from persons recommended by the board. A person  
16 is appointed if a majority of the members and the mayor vote to  
17 appoint the person.

18 (b) A person may not be appointed to the board if the  
19 appointment of that person would result in fewer than two-thirds of  
20 the directors being residents of the city of Houston. (Loc. Gov.  
21 Code, Sec. 376.410.)

22 Sec. 3810.053. EX OFFICIO DIRECTORS. (a) The following  
23 persons serve as nonvoting ex officio directors:

24 (1) the directors of the parks and recreation,  
25 planning and development, public works, and civic center  
26 departments of the City of Houston;

27 (2) the chief of police of the City of Houston;

1           (3) Harris County's general manager of the  
2 Metropolitan Transit Authority of Harris County, Texas; and

3           (4) the president of each institution of higher  
4 learning located in the district.

5           (b) If a department described by Subsection (a) is  
6 consolidated, renamed, or changed, the board may appoint a director  
7 of the consolidated, renamed, or changed department as a nonvoting  
8 ex officio director. If a department described by Subsection (a) is  
9 abolished, the board may appoint a representative of another  
10 department of the City of Houston that performs duties comparable  
11 to those performed by the abolished department.

12           (c) The board may appoint the presiding officer of a  
13 nonprofit corporation actively involved in activities in the area  
14 of the district in the city of Houston to serve as a nonvoting ex  
15 officio director. (Loc. Gov. Code, Sec. 376.411.)

16           Sec. 3810.054. CONFLICTS OF INTEREST. (a) Except as  
17 provided by this section:

18           (1) a director may participate in all board votes and  
19 decisions; and

20           (2) Chapter 171, Local Government Code, governs  
21 conflicts of interest of directors.

22           (b) Section 171.004, Local Government Code, does not apply  
23 to the district. A director who has a substantial interest in a  
24 business or charitable entity that will receive a pecuniary benefit  
25 from a board action shall file an affidavit with the board secretary  
26 declaring the interest. Another affidavit is not required if the  
27 director's interest changes.

1 (c) After the affidavit is filed, the director may  
2 participate in a discussion or vote on that action if:

3 (1) a majority of the directors have a similar  
4 interest in the same entity; or

5 (2) all other similar business or charitable entities  
6 in the district will receive a similar pecuniary benefit.

7 (d) A director who is also an officer or employee of a public  
8 entity may not participate in a discussion of or vote on a matter  
9 regarding a contract with that same public entity.

10 (e) For purposes of this section, a director has a  
11 substantial interest in a charitable entity in the same manner that  
12 a person would have a substantial interest in a business entity  
13 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
14 Sec. 376.412.)

15 [Sections 3810.055-3810.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 3810.101. DISTRICT POWERS. (a) The district may  
18 exercise the powers given to:

19 (1) a corporation created under Section 4B,  
20 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
21 Civil Statutes);

22 (2) a housing finance corporation created under  
23 Chapter 394, Local Government Code, to provide housing or  
24 residential development projects in the district; and

25 (3) an eligible political subdivision under Chapter  
26 221, Natural Resources Code.

27 (b) The district may exercise its powers in an area outside

1 the district if the board determines that exercising that power  
2 benefits the district. (Loc. Gov. Code, Sec. 376.413.)

3 Sec. 3810.102. NONPROFIT CORPORATION. (a) The board by  
4 resolution may authorize the creation of a nonprofit corporation to  
5 assist and act for the district in implementing a project or  
6 providing a service authorized by this chapter.

7 (b) The nonprofit corporation:

8 (1) has each power of and is considered for purposes of  
9 this chapter to be a local government corporation created under  
10 Chapter 431, Transportation Code; and

11 (2) may implement any project and provide any service  
12 authorized by this chapter.

13 (c) The board shall appoint the board of directors of the  
14 nonprofit corporation. The board of directors of the nonprofit  
15 corporation shall serve in the same manner as, for the same term as,  
16 and on the same conditions as the board of directors of a local  
17 government corporation created under Chapter 431, Transportation  
18 Code. (Loc. Gov. Code, Sec. 376.415.)

19 Sec. 3810.103. AGREEMENTS, DONATIONS, GRANTS, AND  
20 LOANS. (a) The district may enter into an agreement with or  
21 accept a donation, grant, or loan from any person.

22 (b) The implementation of a project is a governmental  
23 function or service for purposes of Chapter 791, Government Code.  
24 (Loc. Gov. Code, Secs. 376.414(a), (b).)

25 Sec. 3810.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
26 To protect the public interest, the district may contract with  
27 Harris County or the City of Houston for the county or city to

1 provide law enforcement services in the district for a fee. (Loc.  
2 Gov. Code, Sec. 376.414(c).)

3 Sec. 3810.105. COMPETITIVE BIDDING. Section 375.221, Local  
4 Government Code, does not apply to a district contract for \$25,000  
5 or less. (Loc. Gov. Code, Sec. 376.424.)

6 Sec. 3810.106. APPROVAL BY CITY OF HOUSTON. (a) Except as  
7 provided by Subsection (b), the district must obtain approval from  
8 the City of Houston's governing body:

9 (1) for the issuance of a bond for each improvement  
10 project;

11 (2) of the plans and specifications of the improvement  
12 project to be financed by the bond; and

13 (3) of the plans and specifications of any district  
14 improvement project related to the use of land owned by the City of  
15 Houston, an easement granted by the City of Houston, or a  
16 right-of-way of a street, road, or highway.

17 (b) If the district obtains approval from the City of  
18 Houston's governing body of a capital improvements budget for a  
19 period not to exceed five years, the district may finance the  
20 capital improvements and issue bonds specified in the budget  
21 without further approval from the City of Houston. (Loc. Gov. Code,  
22 Secs. 376.422(a), (b), (c).)

23 Sec. 3810.107. ANNEXATION. In addition to the authority to  
24 annex territory under Subchapter C, Chapter 375, Local Government  
25 Code, the district has the authority to annex territory located in a  
26 reinvestment zone created by the City of Houston under Chapter 311,  
27 Tax Code, if the city's governing body consents to the annexation.



(Loc. Gov. Code, Sec. 376.416.)

[Sections 3810.108-3810.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3810.151. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS. (a) The board may not finance a service or an improvement project under this chapter unless a written petition requesting that service or improvement is filed with the board.

(b) The petition must be signed by the owners of a majority of the assessed value of real property in the district according to the most recent certified tax appraisal roll for Harris County. (Loc. Gov. Code, Sec. 376.418.)

Sec. 3810.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money. (Loc. Gov. Code, Sec. 376.423.)

Sec. 3810.153. MAINTENANCE TAX. (a) The district may impose an annual ad valorem tax on taxable property in the district to maintain and operate the district and the improvements constructed or acquired by the district or to provide a service only if:

(1) two-thirds of the directors vote in favor of imposing the tax; and

(2) the tax is authorized at an election held in accordance with Section 3810.156.

(b) The board shall determine the tax rate. (Loc. Gov. Code, Sec. 376.420.)

Sec. 3810.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)

1 The board by resolution may impose and collect an assessment for any  
2 purpose authorized by this chapter only if two-thirds of the  
3 directors vote in favor of imposing the assessment.

4 (b) An assessment, a reassessment, or an assessment  
5 resulting from an addition to or correction of the assessment roll  
6 by the district, penalties and interest on an assessment or  
7 reassessment, an expense of collection, and reasonable attorney's  
8 fees incurred by the district:

9 (1) are a first and prior lien against the property  
10 assessed;

11 (2) are superior to any other lien or claim other than  
12 a lien or claim for county, school district, or municipal ad valorem  
13 taxes; and

14 (3) are the personal liability of and a charge against  
15 the owners of the property even if the owners are not named in the  
16 assessment proceeding.

17 (c) The lien is effective from the date of the board's  
18 resolution imposing the assessment until the date the assessment is  
19 paid. The board may enforce the lien in the same manner that the  
20 board may enforce an ad valorem tax lien against real property.  
21 (Loc. Gov. Code, Sec. 376.417.)

22 Sec. 3810.155. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
23 ASSESSMENTS. The district may not impose an impact fee or  
24 assessment on the property of a person who provides to the public  
25 gas, electric, telephone, sewage, or water service. (Loc. Gov.  
26 Code, Secs. 376.403(5), 376.421.)

27 Sec. 3810.156. ELECTIONS REGARDING TAXES OR

1 BONDS. (a) In addition to the elections required under  
2 Subchapter L, Chapter 375, Local Government Code, the district must  
3 hold an election in the manner provided by that subchapter to obtain  
4 voter approval before the district may:

5 (1) impose a maintenance tax; or

6 (2) issue a bond payable from ad valorem taxes or  
7 assessments.

8 (b) The board may submit multiple purposes in a single  
9 proposition at an election. (Loc. Gov. Code, Sec. 376.419.)

10 Sec. 3810.157. MUNICIPALITY NOT OBLIGATED TO PAY DISTRICT  
11 OBLIGATIONS. Except as provided by Section 375.263, Local  
12 Government Code, a municipality is not obligated to pay a bond,  
13 note, or other obligation of the district. (Loc. Gov. Code, Sec.  
14 376.422(d).)

15 [Sections 3810.158-3810.200 reserved for expansion]

16 SUBCHAPTER E. DISSOLUTION

17 Sec. 3810.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
18 DEBT. (a) The board may dissolve the district regardless of  
19 whether the district has debt. Section 375.264, Local Government  
20 Code, does not apply to the district.

21 (b) If the district has debt when it is dissolved, the  
22 district shall remain in existence solely for the purpose of  
23 discharging its debts. The dissolution is effective when all debts  
24 have been discharged. (Loc. Gov. Code, Sec. 376.425.)

25 CHAPTER 3811. NEAR NORTHWEST MANAGEMENT DISTRICT

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 3811.001. DEFINITIONS

1 Sec. 3811.002. NEAR NORTHWEST MANAGEMENT DISTRICT

2 Sec. 3811.003. PURPOSE; DECLARATION OF INTENT

3 Sec. 3811.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

4 Sec. 3811.005. DISTRICT TERRITORY

5 Sec. 3811.006. APPLICABILITY OF OTHER LAW

6 Sec. 3811.007. RELATION TO OTHER LAW

7 Sec. 3811.008. LIBERAL CONSTRUCTION OF CHAPTER

8 [Sections 3811.009-3811.050 reserved for expansion]

9 SUBCHAPTER B. BOARD OF DIRECTORS

10 Sec. 3811.051. BOARD OF DIRECTORS; TERMS

11 Sec. 3811.052. APPOINTMENT OF DIRECTORS

12 Sec. 3811.053. EX OFFICIO DIRECTORS

13 Sec. 3811.054. CONFLICTS OF INTEREST

14 [Sections 3811.055-3811.100 reserved for expansion]

15 SUBCHAPTER C. POWERS AND DUTIES

16 Sec. 3811.101. DISTRICT POWERS

17 Sec. 3811.102. NONPROFIT CORPORATION

18 Sec. 3811.103. CONTRACTS; GRANTS; DONATIONS

19 Sec. 3811.104. ANNEXATION

20 [Sections 3811.105-3811.150 reserved for expansion]

21 SUBCHAPTER D. FINANCIAL PROVISIONS

22 Sec. 3811.151. PETITION REQUIRED FOR FINANCING SERVICES

23 AND IMPROVEMENTS

24 Sec. 3811.152. DISBURSEMENTS AND TRANSFERS OF MONEY

25 Sec. 3811.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,

26 ASSESSMENTS, OR IMPACT FEES

27 Sec. 3811.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,

ASSESSMENTS, AND IMPACT FEES

Sec. 3811.155. MAINTENANCE TAX

Sec. 3811.156. ASSESSMENTS; LIENS FOR ASSESSMENTS

Sec. 3811.157. PROPERTY EXEMPT FROM IMPACT FEES AND  
ASSESSMENTS

Sec. 3811.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

Sec. 3811.159. ELECTIONS REGARDING TAXES OR BONDS

Sec. 3811.160. SALES AND USE TAX PROHIBITED

[Sections 3811.161-3811.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3811.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
DEBT

CHAPTER 3811. NEAR NORTHWEST MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3811.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the  
district.

(2) "District" means the Near Northwest Management  
District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
77th Leg., R.S., Ch. 418.)

Sec. 3811.002. NEAR NORTHWEST MANAGEMENT DISTRICT. A  
special district known as the "Near Northwest Management District"  
is a governmental agency and political subdivision of this state.  
(Loc. Gov. Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch.  
418.)

Sec. 3811.003. PURPOSE; DECLARATION OF INTENT. (a) The  
creation of the district is essential to accomplish the purposes of

1 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
2 Texas Constitution, and other public purposes stated in this  
3 chapter. By creating the district and in authorizing Harris  
4 County, the City of Houston, and other political subdivisions to  
5 contract with the district, the legislature has established a  
6 program to accomplish the public purposes set out in Section 52-a,  
7 Article III, Texas Constitution.

8 (b) The creation of the district is necessary to promote,  
9 develop, encourage, and maintain employment, commerce,  
10 transportation, housing, tourism, recreation, the arts,  
11 entertainment, economic development, safety, and the public  
12 welfare in the near northwest area of the city of Houston.

13 (c) This chapter and the creation of the district may not be  
14 interpreted to relieve Harris County or the City of Houston from  
15 providing the level of services provided as of May 28, 2001, to the  
16 area in the district or to release the county or the city from the  
17 obligations of each entity to provide services to that area. The  
18 district is created to supplement and not to supplant the county or  
19 city services provided in the area in the district. (Loc. Gov.  
20 Code, Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
21 418.)

22 Sec. 3811.004. FINDINGS OF BENEFIT AND PUBLIC  
23 PURPOSE. (a) The district is created to serve a public use and  
24 benefit.

25 (b) All land and other property included in the district  
26 will benefit from the improvements and services to be provided by  
27 the district under powers conferred by Sections 52 and 52-a,

Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) The creation of the district is in the public interest and is essential to:

(1) further the public purposes of developing and diversifying the economy of the state;

(2) eliminate unemployment and underemployment; and

(3) develop or expand transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the near northwest area of the city of Houston to preserve, maintain, and enhance the economic health and vitality of the area as a community and business center; and

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic and aesthetic beauty.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district will not act as the agent or

1 instrumentality of any private interest even though the district  
2 will benefit many private interests as well as the public. (Loc.  
3 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 418.)

4       Sec. 3811.005. DISTRICT TERRITORY. (a) The district is  
5 composed of the territory contained in the area bounded by T.C.  
6 Jester Boulevard on the east, Pinemont Drive on the south,  
7 Hollister Drive projected to State Road 249 on the west, and State  
8 Road 249 on the north, as those roads existed on May 28, 2001, and as  
9 that territory may have been modified under:

10           (1) Section 3811.104 or its predecessor statute,  
11 former Section 376.479, Local Government Code, as added by Section  
12 1, Chapter 418, Acts of the 77th Legislature, Regular Session,  
13 2001;

14           (2) Subchapter J, Chapter 49, Water Code; or

15           (3) other law.

16       (b) The boundaries described by Subsection (a) form a  
17 closure. A mistake in the description in the legislative process  
18 does not in any way affect:

19           (1) the district's organization, existence, and  
20 validity;

21           (2) the district's right to issue any type of bond,  
22 including a refunding bond, for a purpose for which the district is  
23 created or to pay the principal of and interest on the bond;

24           (3) the district's right to impose and collect an  
25 assessment or tax; or

26           (4) the legality or operation of the district or the  
27 board. (Loc. Gov. Code, Secs. 376.454, 376.455, as added Acts 77th



1 Leg., R.S., Ch. 418; New.)

2 Sec. 3811.006. APPLICABILITY OF OTHER LAW. Except as  
3 otherwise provided by this chapter, Chapter 375, Local Government  
4 Code, applies to the district, the board, and district employees.  
5 (Loc. Gov. Code, Secs. 376.457, 376.461 (part), as added Acts 77th  
6 Leg., R.S., Ch. 418.)

7 Sec. 3811.007. RELATION TO OTHER LAW. This chapter  
8 prevails over any provision of general law, including a law to which  
9 this chapter refers, that is in conflict with or is inconsistent  
10 with this chapter. (Loc. Gov. Code, Sec. 376.467 (part), as added  
11 Acts 77th Leg., R.S., Ch. 418.)

12 Sec. 3811.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
13 chapter shall be liberally construed in conformity with the  
14 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
15 376.458, as added Acts 77th Leg., R.S., Ch. 418.)

16 [Sections 3811.009-3811.050 reserved for expansion]

17 SUBCHAPTER B. BOARD OF DIRECTORS

18 Sec. 3811.051. BOARD OF DIRECTORS; TERMS. (a) The  
19 district is governed by a board of nine directors who serve  
20 staggered terms of four years with five directors' terms expiring  
21 June 1 of an odd-numbered year and four directors' terms expiring  
22 June 1 of the following odd-numbered year.

23 (b) The board by resolution may increase or decrease the  
24 number of directors on the board, but only if it is in the best  
25 interest of the district to do so. The board may not:

26 (1) increase the number of directors to more than 30;

27 or

1           (2) decrease the number of directors to fewer than  
2 nine. (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th Leg.,  
3 R.S., Ch. 418.)

4           Sec. 3811.052. APPOINTMENT OF DIRECTORS. The mayor and  
5 members of the governing body of the City of Houston shall appoint  
6 directors from persons recommended by the board who meet the  
7 qualifications prescribed by Subchapter D, Chapter 375, Local  
8 Government Code. (Loc. Gov. Code, Sec. 376.460 (part), as added  
9 Acts 77th Leg., R.S., Ch. 418.)

10          Sec. 3811.053. EX OFFICIO DIRECTORS. (a) The following  
11 persons serve as nonvoting ex officio directors:

12           (1) the directors of the parks and recreation,  
13 planning and development, public works, and civic center  
14 departments of the City of Houston;

15           (2) the chief of police of the City of Houston;

16           (3) the general manager of the Metropolitan Transit  
17 Authority of Harris County, Texas; and

18           (4) the president of each institution of higher  
19 learning located in the district.

20          (b) If a department described by Subsection (a) is  
21 consolidated, renamed, or changed, the board may appoint a director  
22 of the consolidated, renamed, or changed department as a nonvoting  
23 ex officio director. If a department described by Subsection (a) is  
24 abolished, the board may appoint a representative of another  
25 department of the City of Houston that performs duties comparable  
26 to those performed by the abolished department.

27          (c) The board may appoint the presiding officer of a

1 nonprofit corporation that is actively involved in activities in  
2 the near northwest area of the city of Houston to serve as a  
3 nonvoting ex officio director. (Loc. Gov. Code, Sec. 376.464, as  
4 added Acts 77th Leg., R.S., Ch. 418.)

5 Sec. 3811.054. CONFLICTS OF INTEREST. (a) Except as  
6 provided by this section:

7 (1) a director may participate in all board votes and  
8 decisions; and

9 (2) Chapter 171, Local Government Code, governs  
10 conflicts of interest of directors.

11 (b) Section 171.004, Local Government Code, does not apply  
12 to the district. A director who has a substantial interest in a  
13 business or charitable entity that will receive a pecuniary benefit  
14 from a board action shall file an affidavit with the board secretary  
15 declaring the interest. Another affidavit is not required if the  
16 director's interest changes.

17 (c) After the affidavit is filed, the director may  
18 participate in a discussion or vote on that action if:

19 (1) a majority of the directors have a similar  
20 interest in the same entity; or

21 (2) all other similar business or charitable entities  
22 in the district will receive a similar pecuniary benefit.

23 (d) A director who is also an officer or employee of a public  
24 entity may not participate in a discussion of or vote on a matter  
25 regarding a contract with that same public entity.

26 (e) For purposes of this section, a director has a  
27 substantial interest in a charitable entity in the same manner that

1 a person would have a substantial interest in a business entity  
2 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
3 Sec. 376.465, as added Acts 77th Leg., R.S., Ch. 418.)

4 [Sections 3811.055-3811.100 reserved for expansion]

5 SUBCHAPTER C. POWERS AND DUTIES

6 Sec. 3811.101. DISTRICT POWERS. The district has:

7 (1) all powers necessary to accomplish the purposes  
8 for which the district was created;

9 (2) the powers given to a corporation under Section  
10 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
11 Texas Civil Statutes), and the power to own, operate, acquire,  
12 construct, lease, improve, and maintain projects; and

13 (3) the powers given to a housing finance corporation  
14 created under Chapter 394, Local Government Code, to provide  
15 housing or residential development projects in the district. (Loc.  
16 Gov. Code, Sec. 376.461 (part), as added Acts 77th Leg., R.S., Ch.  
17 418.)

18 Sec. 3811.102. NONPROFIT CORPORATION. (a) The board by  
19 resolution may authorize the creation of a nonprofit corporation to  
20 assist and act for the district in implementing a project or  
21 providing a service authorized by this chapter.

22 (b) The nonprofit corporation:

23 (1) has each power of and is considered for purposes of  
24 this chapter to be a local government corporation created under  
25 Chapter 431, Transportation Code; and

26 (2) may implement any project and provide any service  
27 authorized by this chapter.

1           (c) The board shall appoint the board of directors of the  
2 nonprofit corporation. The board of directors of the nonprofit  
3 corporation shall serve in the same manner as, for the same term as,  
4 and on the conditions of the board of directors of a local  
5 government corporation created under Chapter 431, Transportation  
6 Code. (Loc. Gov. Code, Sec. 376.469, as added Acts 77th Leg., R.S.,  
7 Ch. 418.)

8           Sec. 3811.103. CONTRACTS; GRANTS; DONATIONS. (a) To  
9 protect the public interest, the district may contract with Harris  
10 County or the City of Houston for the county or city to provide law  
11 enforcement services in the district for a fee.

12           (b) Harris County, the City of Houston, or another political  
13 subdivision of this state, without further authorization, may  
14 contract with the district to implement a project of the district or  
15 assist the district in providing a service authorized under this  
16 chapter. A contract under this subsection may:

- 17           (1) be for a period on which the parties agree;  
18           (2) include terms on which the parties agree;  
19           (3) be payable from taxes or any other source of  
20 revenue that may be available for that project or service; or  
21           (4) provide terms under which taxes or other revenue  
22 collected at a district project or from a person using or purchasing  
23 a commodity or service at a district project may be paid or rebated  
24 to the district.

25           (c) The district may enter into a contract, lease, or other  
26 agreement with or make or accept a grant or loan to or from, or  
27 accept a donation from, any person, including:

- 1           (1) the United States;  
2           (2) this state or a state agency;  
3           (3) any political subdivision of this state; or  
4           (4) a public or private corporation, including a  
5 nonprofit corporation created by the board under this subchapter.

6           (d) The district may perform all acts necessary for the full  
7 exercise of the powers vested in the district on terms and for the  
8 period the board determines advisable.

9           (e) The implementation of a project is a governmental  
10 function or service for the purposes of Chapter 791, Government  
11 Code. (Loc. Gov. Code, Secs. 376.478, 376.480, as added Acts 77th  
12 Leg., R.S., Ch. 418.)

13           Sec. 3811.104. ANNEXATION. In addition to the authority to  
14 annex territory under Subchapter C, Chapter 375, Local Government  
15 Code, the district has the authority to annex territory located in a  
16 reinvestment zone created by the City of Houston under Chapter 311,  
17 Tax Code, if the city's governing body consents to the annexation.  
18 (Loc. Gov. Code, Sec. 376.479, as added Acts 77th Leg., R.S., Ch.  
19 418.)

20           [Sections 3811.105-3811.150 reserved for expansion]

21           SUBCHAPTER D. FINANCIAL PROVISIONS

22           Sec. 3811.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
23 IMPROVEMENTS. (a) The board may not finance a service or an  
24 improvement project under this chapter unless a written petition  
25 requesting that service or improvement is filed with the board.

26           (b) The petition must be signed by:

- 27           (1) the owners of a majority of the assessed value of

1 real property in the district according to the most recent  
2 certified tax appraisal roll for Harris County; or

3 (2) at least 50 owners of land in the district, if more  
4 than 50 persons own land in the district according to the most  
5 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
6 Code, Sec. 376.468, as added Acts 77th Leg., R.S., Ch. 418.)

7 Sec. 3811.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
8 board by resolution shall establish the number of directors'  
9 signatures and the procedure required for a disbursement or  
10 transfer of the district's money. (Loc. Gov. Code, Sec. 376.470, as  
11 added Acts 77th Leg., R.S., Ch. 418.)

12 Sec. 3811.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
13 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
14 or impact fee requires a vote of a majority of the directors  
15 serving. (Loc. Gov. Code, Sec. 376.459(b) (part), as added Acts  
16 77th Leg., R.S., Ch. 418.)

17 Sec. 3811.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
18 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
19 tax, assessment, or impact fee as provided by Chapter 375, Local  
20 Government Code, to provide an improvement or service for a project  
21 or activity the district may acquire, construct, improve, or  
22 provide under this chapter. (Loc. Gov. Code, Sec. 376.461 (part),  
23 as added Acts 77th Leg., R.S., Ch. 418.)

24 Sec. 3811.155. MAINTENANCE TAX. (a) If authorized at an  
25 election held in accordance with Section 3811.159, the district may  
26 impose an annual ad valorem tax on taxable property in the district  
27 to:

1           (1) maintain and operate the district and the  
2 improvements constructed or acquired by the district; or

3           (2) provide a service.

4           (b) The board shall determine the tax rate. (Loc. Gov.  
5 Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 418.)

6           Sec. 3811.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
7 The board by resolution may impose and collect an assessment for any  
8 purpose authorized by this chapter.

9           (b) An assessment, a reassessment, or an assessment  
10 resulting from an addition to or correction of the assessment roll  
11 by the district, penalties and interest on an assessment or  
12 reassessment, an expense of collection, and reasonable attorney's  
13 fees incurred by the district:

14           (1) are a first and prior lien against the property  
15 assessed;

16           (2) are superior to any other lien or claim other than  
17 a lien or claim for county, school district, or municipal ad valorem  
18 taxes; and

19           (3) are the personal liability of and a charge against  
20 each owner of the property even if the owners are not named in the  
21 assessment proceeding.

22           (c) The lien is effective from the date of the board's  
23 resolution imposing the assessment until the date the assessment is  
24 paid. The board may enforce the lien in the same manner that the  
25 board may enforce an ad valorem tax lien against real property.

26           (d) The board may correct, add to, or delete assessments  
27 from its assessment rolls after notice and hearing as provided by



1 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
2 Secs. 376.461 (part), 376.472, as added Acts 77th Leg., R.S., Ch.  
3 418.)

4 Sec. 3811.157. PROPERTY EXEMPT FROM IMPACT FEES AND  
5 ASSESSMENTS. The district may not impose an impact fee or  
6 assessment on:

7 (1) a residence homestead as defined by Section 11.13,  
8 Tax Code; or

9 (2) the property, equipment, or facilities of a person  
10 that provides to the public cable television, gas, light, power,  
11 telephone, sewage, or water service. (Loc. Gov. Code, Secs.  
12 376.453(5), 376.473, as added Acts 77th Leg., R.S., Ch. 418.)

13 Sec. 3811.158. OBLIGATIONS; APPROVAL BY CITY OF  
14 HOUSTON. (a) The district may issue bonds or other obligations  
15 payable in whole or in part from ad valorem taxes, assessments,  
16 impact fees, revenue, grants, or other money of the district, or any  
17 combination of those sources of money, to pay for any authorized  
18 purpose of the district.

19 (b) In exercising the district's borrowing power, the  
20 district may issue a bond or other obligation in the form of a bond,  
21 note, certificate of participation or other instrument evidencing a  
22 proportionate interest in payments to be made by the district, or  
23 other type of obligation.

24 (c) Except as provided by Subsection (d), the district must  
25 obtain the approval of the City of Houston:

26 (1) for the issuance of a bond for each improvement  
27 project;

1           (2) of the plans and specifications of the improvement  
2 project to be financed by the bond; and

3           (3) of the plans and specifications of a district  
4 improvement project related to:

5                   (A) the use of land owned by the City of Houston;

6                   (B) an easement granted by the City of Houston;

7 or

8                   (C) a right-of-way of a street, road, or highway.

9           (d) If the district obtains the approval of the City of  
10 Houston of a capital improvements budget for a specified period not  
11 to exceed five years, the district may finance the capital  
12 improvements and issue bonds specified in the budget without  
13 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
14 376.471(a), (b) (part), (c), (d), as added Acts 77th Leg., R.S., Ch.  
15 418.)

16           Sec. 3811.159. ELECTIONS           REGARDING           TAXES           OR  
17 BONDS. (a) In addition to the elections required under  
18 Subchapter L, Chapter 375, Local Government Code, the district must  
19 hold an election in the manner provided by that subchapter to obtain  
20 voter approval before the district may:

21                   (1) impose a maintenance tax; or

22                   (2) issue a bond payable from ad valorem taxes or  
23 assessments.

24           (b) The board may submit multiple purposes in a single  
25 proposition at an election. (Loc. Gov. Code, Sec. 376.474, as added  
26 Acts 77th Leg., R.S., Ch. 418.)

27           Sec. 3811.160. SALES AND USE TAX PROHIBITED. The district

1 may not impose a sales and use tax. (Loc. Gov. Code, Sec. 376.462,  
2 as added Acts 77th Leg., R.S., Ch. 418.)

3 [Sections 3811.161-3811.200 reserved for expansion]

4 SUBCHAPTER E. DISSOLUTION

5 Sec. 3811.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
6 DEBT. If the district has debt when it is dissolved, the district  
7 shall remain in existence solely for the purpose of discharging its  
8 bonds or other obligations according to their terms. (Loc. Gov.  
9 Code, Sec. 376.477 (part), as added Acts 77th Leg., R.S., Ch. 418.)

10 CHAPTER 3812. GREATER NORTHSIDE MANAGEMENT DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 3812.001. DEFINITIONS

13 Sec. 3812.002. GREATER NORTHSIDE MANAGEMENT DISTRICT

14 Sec. 3812.003. PURPOSE; DECLARATION OF INTENT

15 Sec. 3812.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

16 Sec. 3812.005. DISTRICT TERRITORY

17 Sec. 3812.006. APPLICABILITY OF OTHER LAW

18 Sec. 3812.007. RELATION TO OTHER LAW

19 Sec. 3812.008. LIBERAL CONSTRUCTION OF CHAPTER

20 [Sections 3812.009-3812.050 reserved for expansion]

21 SUBCHAPTER B. BOARD OF DIRECTORS

22 Sec. 3812.051. BOARD OF DIRECTORS; TERMS

23 Sec. 3812.052. APPOINTMENT OF DIRECTORS

24 Sec. 3812.053. INITIAL DIRECTORS

25 [Sections 3812.054-3812.100 reserved for expansion]

26 SUBCHAPTER C. POWERS AND DUTIES

27 Sec. 3812.101. DISTRICT POWERS

1 Sec. 3812.102. NONPROFIT CORPORATION

2 Sec. 3812.103. CONTRACTS; GRANTS

3 [Sections 3812.104-3812.150 reserved for expansion]

4 SUBCHAPTER D. FINANCIAL PROVISIONS

5 Sec. 3812.151. PETITION REQUIRED FOR FINANCING SERVICES  
6 AND IMPROVEMENTS

7 Sec. 3812.152. DISBURSEMENTS AND TRANSFERS OF MONEY

8 Sec. 3812.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
9 ASSESSMENTS, OR IMPACT FEES

10 Sec. 3812.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
11 ASSESSMENTS, AND IMPACT FEES

12 Sec. 3812.155. MAINTENANCE TAX

13 Sec. 3812.156. ASSESSMENTS; LIENS FOR ASSESSMENTS

14 Sec. 3812.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES,  
15 AND ASSESSMENTS

16 Sec. 3812.158. OBLIGATIONS; APPROVAL BY CITY OF  
17 HOUSTON

18 Sec. 3812.159. ELECTIONS REGARDING TAXES OR BONDS

19 [Sections 3812.160-3812.200 reserved for expansion]

20 SUBCHAPTER E. DISSOLUTION

21 Sec. 3812.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
22 DEBT

23 CHAPTER 3812. GREATER NORTHSIDE MANAGEMENT DISTRICT

24 SUBCHAPTER A. GENERAL PROVISIONS

25 Sec. 3812.001. DEFINITIONS. In this chapter:

26 (1) "Board" means the board of directors of the  
27 district.

1           (2) "District" means the Greater Northside Management  
2 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
3 77th Leg., R.S., Ch. 1356.)

4           Sec. 3812.002. GREATER NORTHSIDE MANAGEMENT DISTRICT. The  
5 Greater Northside Management District is a special district created  
6 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
7 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1356.)

8           Sec. 3812.003. PURPOSE; DECLARATION OF INTENT. (a) The  
9 creation of the district is essential to accomplish the purposes of  
10 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
11 Texas Constitution, and other public purposes stated in this  
12 chapter.

13           (b) The creation of the district is necessary to promote,  
14 develop, encourage, and maintain employment, commerce,  
15 transportation, housing, tourism, recreation, the arts,  
16 entertainment, economic development, safety, and the public  
17 welfare in the north side of the city of Houston.

18           (c) This chapter and the creation of the district may not be  
19 interpreted to relieve Harris County or the City of Houston from  
20 providing the level of services provided as of June 16, 2001, to the  
21 area in the district or to release the county or the city from the  
22 obligations of each entity to provide services to that area. The  
23 district is created to supplement and not to supplant the county or  
24 city services provided in the area in the district. (Loc. Gov.  
25 Code, Sec. 376.452, as added Acts 77th Leg., R.S., Ch. 1356.)

26           Sec. 3812.004. FINDINGS OF BENEFIT AND PUBLIC  
27 PURPOSE. (a) The district is created to serve a public use and

1 benefit.

2 (b) All land and other property included in the district  
3 will benefit from the improvements and services to be provided by  
4 the district under powers conferred by Sections 52 and 52-a,  
5 Article III, and Section 59, Article XVI, Texas Constitution, and  
6 other powers granted under this chapter.

7 (c) The creation of the district is in the public interest  
8 and is essential to:

9 (1) further the public purposes of developing and  
10 diversifying the economy of the state;

11 (2) eliminate unemployment and underemployment; and

12 (3) develop or expand transportation and commerce.

13 (d) The district will:

14 (1) promote the health, safety, and general welfare of  
15 residents, employers, potential employees, employees, visitors,  
16 and consumers in the district, and of the public;

17 (2) provide needed funding to preserve, maintain, and  
18 enhance the economic health and vitality of the district as a  
19 community and business center; and

20 (3) promote the health, safety, welfare, and enjoyment  
21 of the public by providing pedestrian ways and by landscaping and  
22 developing certain areas in the district, which are necessary for  
23 the restoration, preservation, and enhancement of scenic beauty.

24 (e) Pedestrian ways along or across a street, whether at  
25 grade or above or below the surface, and street lighting, street  
26 landscaping, and street art objects are parts of and necessary  
27 components of a street and are considered to be a street or road

1 improvement.

2 (f) The district will not act as the agent or  
3 instrumentality of any private interest even though the district  
4 will benefit many private interests as well as the public. (Loc.  
5 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1356.)

6 Sec. 3812.005. DISTRICT TERRITORY. (a) The district is  
7 composed of the territory described by Chapter 1356, Acts of the  
8 77th Legislature, Regular Session, 2001, enacting former Section  
9 376.454, Local Government Code, as that territory may have been  
10 modified under:

11 (1) Subchapter J, Chapter 49, Water Code; or

12 (2) other law.

13 (b) The boundaries and field notes of the district contained  
14 in Chapter 1356, Acts of the 77th Legislature, Regular Session,  
15 2001, enacting former Section 376.454, Local Government Code, form  
16 a closure. A mistake in the field notes or in copying the field  
17 notes in the legislative process does not in any way affect the  
18 district's:

19 (1) organization, existence, or validity;

20 (2) right to issue any type of bond for a purpose for  
21 which the district is created or to pay the principal of and  
22 interest on the bond;

23 (3) right to impose or collect an assessment or tax; or

24 (4) legality or operation. (Loc. Gov. Code, Sec.  
25 376.455, as added Acts 77th Leg., R.S., Ch. 1356; New.)

26 Sec. 3812.006. APPLICABILITY OF OTHER LAW. Except as  
27 otherwise provided by this chapter, Chapter 375, Local Government

Code, applies to the district. (Loc. Gov. Code, Secs. 376.457, 376.461 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.007. RELATION TO OTHER LAW. This chapter prevails over any provision of general law, including a law to which this chapter refers, that is in conflict with or is inconsistent with this chapter. (Loc. Gov. Code, Sec. 376.464 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.008. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter. (Loc. Gov. Code, Sec. 376.458, as added Acts 77th Leg., R.S., Ch. 1356.)

[Sections 3812.009-3812.050 reserved for expansion]

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3812.051. BOARD OF DIRECTORS; TERMS. (a) The district is governed by a board of 11 directors who serve staggered terms of four years with five directors' terms expiring June 1 of an odd-numbered year and six directors' terms expiring June 1 of the following odd-numbered year.

(b) The board by resolution may increase or decrease the number of directors on the board, but only if it is in the best interest of the district to do so. The board may not:

(1) increase the number of directors to more than 30;

or

(2) decrease the number of directors to fewer than nine. (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.052. APPOINTMENT OF DIRECTORS. The mayor and



members of the governing body of the City of Houston shall appoint directors from persons recommended by the board who meet the qualifications prescribed by Subchapter D, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec. 376.460(a), as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.053. INITIAL DIRECTORS. (a) The initial board consists of the following persons:

Pos. No.	Name of Director
1	Jeanette Rash
2	Lisa Cabral
3	Rodrigo Gonzalez
4	Toy Brando Halsey
5	Dr. John Perez
6	Leticia Elias
7	Sam Treynor
8	Candy Perez
9	Dr. San Juanita Garza
10	Jesse Tanner
11	Frumencio Reyes

(b) The terms of the initial directors appointed for positions 1 through 5 expire on June 1, 2003, and the terms of the initial directors appointed for positions 6 through 11 expire on June 1, 2005.

(c) Section 3812.052 does not apply to this section.

(d) This section expires September 1, 2006. (Loc. Gov. Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 1356.)

[Sections 3812.054-3812.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3812.101. DISTRICT POWERS. The district has:

(1) all powers necessary to accomplish the purposes for which the district was created; and

(2) the powers given to a corporation under Section 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes), and the power to own, operate, acquire, construct, lease, improve, and maintain projects. (Loc. Gov. Code, Sec. 376.461 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.102. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered for purposes of this chapter to be a local government corporation created under Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as, for the same term as, and on the same conditions as the board of directors of a local government corporation created under Chapter 431, Transportation Code. (Loc. Gov. Code, Sec. 376.466, as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.103. CONTRACTS; GRANTS. (a) To protect the

1 public interest, the district may contract with Harris County or  
2 the City of Houston for the county or the city to provide law  
3 enforcement services in the district for a fee.

4 (b) Harris County, the City of Houston, or another political  
5 subdivision of this state, without further authorization, may  
6 contract with the district to implement a project of the district or  
7 assist the district in providing a service authorized under this  
8 chapter. A contract under this subsection may:

9 (1) be for a period on which the parties agree;

10 (2) include terms on which the parties agree;

11 (3) be payable from taxes or any other source of  
12 revenue that may be available for that project or service; and

13 (4) provide terms under which taxes or other revenue  
14 collected at a district project or from a person using or purchasing  
15 a commodity or service at a district project may be paid or rebated  
16 to the district.

17 (c) The district may enter into a contract, lease, or other  
18 agreement with or make or accept a grant or loan to or from any  
19 person, including:

20 (1) the United States;

21 (2) this state or a state agency;

22 (3) any political subdivision of this state; and

23 (4) a public or private corporation, including a  
24 nonprofit corporation created by the board under this subchapter.

25 (d) The district may perform all acts necessary for the full  
26 exercise of the powers vested in the district on terms and for the  
27 period the board determines advisable. (Loc. Gov. Code, Sec.

376.475, as added Acts 77th Leg., R.S., Ch. 1356.)

[Sections 3812.104-3812.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3812.151. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS. (a) The board may not finance a service or improvement project under this chapter unless a written petition requesting that service or improvement is filed with the board.

(b) The petition must be signed by:

(1) the owners of a majority of the assessed value of real property in the district according to the most recent certified tax appraisal roll for Harris County; or

(2) at least 50 owners of land in the district, if more than 50 persons own property in the district according to the most recent certified tax appraisal roll for Harris County. (Loc. Gov. Code, Sec. 376.465, as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money. (Loc. Gov. Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.153. BOARD VOTE REQUIRED TO IMPOSE TAXES, ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment, or impact fee requires a vote of a majority of the directors serving. (Loc. Gov. Code, Sec. 376.459(b) (part), as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.154. AUTHORITY TO IMPOSE AD VALOREM TAXES, ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem

1 tax, assessment, or impact fee as provided by Chapter 375, Local  
2 Government Code, to provide an improvement or service for a project  
3 or activity the district may acquire, construct, improve, or  
4 provide under this chapter. (Loc. Gov. Code, Sec. 376.461 (part),  
5 as added Acts 77th Leg., R.S., Ch. 1356.)

6 Sec. 3812.155. MAINTENANCE TAX. (a) If authorized at an  
7 election held in accordance with Section 3812.159, the district may  
8 impose an annual ad valorem tax on taxable property in the district  
9 to:

10 (1) maintain and operate the district and the  
11 improvements constructed or acquired by the district; or

12 (2) provide a service.

13 (b) The board shall determine the tax rate. (Loc. Gov.  
14 Code, Sec. 376.473, as added Acts 77th Leg., R.S., Ch. 1356.)

15 Sec. 3812.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
16 The board by resolution may impose and collect an assessment for any  
17 purpose authorized by this chapter.

18 (b) An assessment, a reassessment, or an assessment  
19 resulting from an addition to or correction of the assessment roll  
20 by the district, penalties and interest on an assessment or  
21 reassessment, an expense of collection, and reasonable attorney's  
22 fees incurred by the district:

23 (1) are a first and prior lien against the property  
24 assessed;

25 (2) are superior to any other lien or claim other than  
26 a lien or claim for county, school district, or municipal ad valorem  
27 taxes; and

1           (3) are the personal liability of and a charge against  
2 the owners of the property even if the owners are not named in the  
3 assessment proceeding.

4           (c) The lien is effective from the date of the board's  
5 resolution imposing the assessment until the date the assessment is  
6 paid. The board may enforce the lien in the same manner that the  
7 board may enforce an ad valorem tax lien against real property.

8           (d) The board may correct, add to, or delete assessments  
9 from its assessment rolls after notice and hearing as provided by  
10 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
11 Secs. 376.461 (part), 376.469 (part), as added Acts 77th Leg.,  
12 R.S., Ch. 1356.)

13           Sec. 3812.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
14 ASSESSMENTS. (a) The district may not impose a tax, impact fee,  
15 or assessment on a residential property, multiunit residential  
16 property, or condominium.

17           (b) The district may not impose an impact fee or assessment  
18 on the property, equipment, or facilities of a person that provides  
19 to the public cable television, gas, light, power, telephone,  
20 sewage, or water service. (Loc. Gov. Code, Secs. 376.453(5),  
21 376.470, as added Acts 77th Leg., R.S., Ch. 1356.)

22           Sec. 3812.158. OBLIGATIONS; APPROVAL BY CITY OF  
23 HOUSTON. (a) The district may issue bonds or other obligations  
24 payable in whole or in part from ad valorem taxes, assessments,  
25 impact fees, revenue, grants, or other money of the district, or any  
26 combination of those sources of money, to pay for any authorized  
27 purpose of the district.

1           (b) In exercising the district's borrowing power, the  
2 district may issue a bond or other obligation in the form of a bond,  
3 note, certificate of participation or other instrument evidencing a  
4 proportionate interest in payments to be made by the district, or  
5 other type of obligation.

6           (c) Except as provided by Subsection (d), the district must  
7 obtain the approval of the City of Houston:

8                 (1) for the issuance of a bond for each improvement  
9 project;

10                (2) of the plans and specifications of the improvement  
11 project to be financed by the bond; and

12                (3) of the plans and specifications of a district  
13 improvement project related to:

14                         (A) the use of land owned by the City of Houston;

15                         (B) an easement granted by the City of Houston;

16 or

17                         (C) a right-of-way of a street, road, or highway.

18           (d) If the district obtains the approval of the City of  
19 Houston of a capital improvements budget for a specified period not  
20 to exceed five years, the district may finance the capital  
21 improvements and issue bonds specified in the budget without  
22 further approval from the City of Houston. (Loc. Gov. Code, Sec.  
23 376.468, as added Acts 77th Leg., R.S., Ch. 1356.)

24           Sec. 3812.159. ELECTIONS                 REGARDING                 TAXES                 OR  
25 BONDS. (a) In addition to the election required under Subchapter  
26 L, Chapter 375, Local Government Code, the district must hold an  
27 election in the manner provided by that subchapter to obtain voter

1 approval before the district may:

2 (1) impose a maintenance tax; or

3 (2) issue a bond payable from ad valorem taxes or  
4 assessments.

5 (b) The board may submit multiple purposes in a single  
6 proposition at an election. (Loc. Gov. Code, Sec. 376.471, as added  
7 Acts 77th Leg., R.S., Ch. 1356.)

8 [Sections 3812.160-3812.200 reserved for expansion]

9 SUBCHAPTER E. DISSOLUTION

10 Sec. 3812.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
11 DEBT. If the district has debt when it is dissolved, the district  
12 shall remain in existence solely for the purpose of discharging its  
13 bonds or other obligations according to their terms. (Loc. Gov.  
14 Code, Sec. 376.474 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

15 CHAPTER 3813. OLD TOWN SPRING IMPROVEMENT DISTRICT

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 3813.001. DEFINITIONS

18 Sec. 3813.002. OLD TOWN SPRING IMPROVEMENT DISTRICT

19 Sec. 3813.003. PURPOSE; DECLARATION OF INTENT

20 Sec. 3813.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE;

21 GENERAL DUTIES

22 Sec. 3813.005. DISTRICT TERRITORY

23 [Sections 3813.006-3813.050 reserved for expansion]

24 SUBCHAPTER B. BOARD OF DIRECTORS

25 Sec. 3813.051. BOARD OF DIRECTORS

26 Sec. 3813.052. ELECTION OF DIRECTORS

27 Sec. 3813.053. LAW GOVERNING ADMINISTRATION OF BOARD



1    Sec. 3813.054.   VOTING BY BOARD PRESIDENT RESTRICTED  
2                   [Sections 3813.055-3813.100 reserved for expansion]  
3                               SUBCHAPTER C.   POWERS AND DUTIES  
4    Sec. 3813.101.   DISTRICT POWERS  
5    Sec. 3813.102.   RELATION TO OTHER LAW  
6    Sec. 3813.103.   RULES  
7    Sec. 3813.104.   SPECIFIC POWERS RELATING TO IMPROVEMENT  
8                               PROJECTS OR SERVICES  
9    Sec. 3813.105.   LEASE, ACQUISITION, OR CONSTRUCTION OF  
10                            BUILDING OR FACILITY; ECONOMIC DEVELOPMENT  
11                            PROGRAMS  
12   Sec. 3813.106.   CONTRACTS; GRANTS; DONATIONS  
13   Sec. 3813.107.   ANNEXATION OR EXCLUSION OF TERRITORY  
14   Sec. 3813.108.   EMINENT DOMAIN  
15   Sec. 3813.109.   PEACE OFFICERS  
16                   [Sections 3813.110-3813.150 reserved for expansion]  
17                               SUBCHAPTER D.   FINANCIAL PROVISIONS  
18   Sec. 3813.151.   SALES AND USE TAX; EXCISE TAX  
19   Sec. 3813.152.   TAX ELECTION PROCEDURES  
20   Sec. 3813.153.   BALLOT WORDING  
21   Sec. 3813.154.   IMPOSITION, COMPUTATION, ADMINISTRATION,  
22                            AND GOVERNANCE OF TAXES  
23   Sec. 3813.155.   TAX RATES  
24   Sec. 3813.156.   ABOLITION OF TAX  
25   Sec. 3813.157.   USE OF TAXES  
26   Sec. 3813.158.   EFFECTIVE DATE OF TAX OR TAX CHANGE  
27   Sec. 3813.159.   AD VALOREM TAX PROHIBITED

1 Sec. 3813.160. FEES; CHARGES

2 Sec. 3813.161. BORROWING MONEY

3 Sec. 3813.162. PAYMENT OF EXPENSES

4 Sec. 3813.163. BONDS

5 [Sections 3813.164-3813.200 reserved for expansion]

6 SUBCHAPTER E. DISSOLUTION

7 Sec. 3813.201. DISSOLUTION BY BOARD ORDER

8 Sec. 3813.202. DISSOLUTION BY PETITION OF OWNERS

9 Sec. 3813.203. ADMINISTRATION OF DISTRICT PROPERTY

10 FOLLOWING DISSOLUTION

11 CHAPTER 3813. OLD TOWN SPRING IMPROVEMENT DISTRICT

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 3813.001. DEFINITIONS. In this chapter:

14 (1) "Board" means the board of directors of the  
15 district.

16 (2) "District" means the Old Town Spring Improvement  
17 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
18 77th Leg., R.S., Ch. 1371.)

19 Sec. 3813.002. OLD TOWN SPRING IMPROVEMENT DISTRICT. The  
20 Old Town Spring Improvement District is a special district created  
21 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
22 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1371.)

23 Sec. 3813.003. PURPOSE; DECLARATION OF INTENT. (a) The  
24 creation of the district is essential to accomplish the purposes of  
25 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
26 Texas Constitution, and other public purposes stated in this  
27 chapter.

1           (b) The creation of the district is necessary to promote,  
2 develop, encourage, and maintain employment, commerce,  
3 transportation, housing, tourism, recreation, the arts,  
4 entertainment, economic development, safety, scenic beauty, and  
5 the public welfare in the Old Town Spring area of Harris County.

6           (c) This chapter and the creation of the district do not  
7 relieve Harris County from providing the level of services provided  
8 as of September 1, 2001, to the area in the district. The district  
9 is created to supplement and not to replace the county services  
10 provided in the area in the district. (Loc. Gov. Code, Sec.  
11 376.452, as added Acts 77th Leg., R.S., Ch. 1371.)

12           Sec. 3813.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE;  
13 GENERAL DUTIES. (a) The district is created to serve a public use  
14 and benefit.

15           (b) All land and other property included in the district  
16 will benefit from the improvements and services to be provided by  
17 the district under powers conferred by Sections 52 and 52-a,  
18 Article III, and Section 59, Article XVI, Texas Constitution, and  
19 other powers granted under this chapter.

20           (c) The creation of the district is in the public interest  
21 and is essential to:

22                   (1) further the public purposes of developing and  
23 diversifying the economy of the state;

24                   (2) eliminate unemployment and underemployment; and

25                   (3) develop or expand transportation and commerce.

26           (d) The district shall:

27                   (1) promote the health, safety, and general welfare of

1 residents, merchants, landowners, employers, potential employees,  
2 employees, visitors, and consumers in the district, and of the  
3 public;

4 (2) provide needed funding for the Old Town Spring  
5 area to preserve, maintain, and enhance the economic health and  
6 vitality of the area as a community and business center;

7 (3) provide and maintain common areas and facilities  
8 in the district to ensure scenic beauty;

9 (4) provide improvements in the district to promote  
10 the welfare of the public, residents, merchants, and landowners in  
11 the district; and

12 (5) promote the health, safety, welfare, and enjoyment  
13 of the public by providing pedestrian ways and by landscaping and  
14 developing certain areas in the district, which are necessary for  
15 the restoration, preservation, and enhancement of scenic beauty.

16 (e) The district may not act as the agent or instrumentality  
17 of any private interest even though the district will benefit many  
18 private interests as well as the public. (Loc. Gov. Code, Sec.  
19 376.456, as added Acts 77th Leg., R.S., Ch. 1371.)

20 Sec. 3813.005. DISTRICT TERRITORY. (a) The district is  
21 composed of the territory described by Section 1, Chapter 1371,  
22 Acts of the 77th Legislature, Regular Session, 2001, enacting  
23 former Section 376.454, Local Government Code, as that territory  
24 may have been modified under:

25 (1) Section 3813.107(a) or its predecessor statute,  
26 former Section 376.462(a)(3), Local Government Code, as added by  
27 Chapter 1371, Acts of the 77th Legislature, Regular Session, 2001;

1           (2) Subchapter J, Chapter 49, Water Code; or

2           (3) other law.

3           (b) The boundaries and field notes of the district contained  
4 in Section 1, Chapter 1371, Acts of the 77th Legislature, Regular  
5 Session, 2001, enacting former Section 376.454, Local Government  
6 Code, form a closure. A mistake in the field notes or in copying the  
7 field notes in the legislative process does not in any way affect  
8 the district's:

9           (1) organization, existence, or validity;

10           (2) right to issue any type of bond for a purpose for  
11 which the district is created or to pay the principal of and  
12 interest on the bond;

13           (3) right to impose or collect an assessment or tax; or

14           (4) legality or operation. (Loc. Gov. Code, Sec.  
15 376.455, as added Acts 77th Leg., R.S., Ch. 1371; New.)

16           [Sections 3813.006-3813.050 reserved for expansion]

17           SUBCHAPTER B. BOARD OF DIRECTORS

18           Sec. 3813.051. BOARD OF DIRECTORS. (a) The district is  
19 governed by a board of five directors who occupy numbered  
20 positions. The directors occupying positions one, two, and three  
21 are appointed under this section, and the directors occupying  
22 positions four and five are elected as provided by this section and  
23 Section 3813.052.

24           (b) The Commissioners Court of Harris County shall appoint:

25           (1) one person who leases a retail store or who owns  
26 real property in the district to serve in position one for a  
27 three-year term;

1           (2) one person who leases a retail store but does not  
2 own real property in the district to serve in position two for a  
3 two-year term; and

4           (3) one person who owns real property in the district  
5 to serve in position three for a three-year term.

6           (c) A director elected under Section 3813.052 serves a  
7 two-year term. To qualify as a candidate for position four, a  
8 person must reside in the district. To qualify as a candidate for  
9 position five, a person must lease a retail store or own real  
10 property in the district.

11          (d) A term expires on January 31 of the appropriate year.

12          (e) In appointing directors under Subsection (b), the  
13 commissioners court shall consider any recommendation received by  
14 an organization dedicated to the economic development of the Old  
15 Town Spring area. (Loc. Gov. Code, Sec. 376.457, as added Acts 77th  
16 Leg., R.S., Ch. 1371.)

17          Sec. 3813.052. ELECTION OF DIRECTORS. (a) The board shall  
18 hold an election of directors for positions four and five in each  
19 even-numbered year on the uniform election date in February  
20 established by Section 41.001, Election Code.

21          (b) In addition to the contents required by the Election  
22 Code, notice of a directors' election must:

23               (1) state the number of directors to be voted on; and

24               (2) describe the qualifications for each position for  
25 which a candidate is running.

26          (c) In addition to requirements prescribed by the Election  
27 Code, the ballots for a directors' election shall describe the

1 qualifications of the position for which each candidate is running.

2 (d) The board shall certify that the person receiving the  
3 highest number of votes for each position is elected as the director  
4 for that position. (Loc. Gov. Code, Sec. 376.460, as added Acts  
5 77th Leg., R.S., Ch. 1371.)

6 Sec. 3813.053. LAW GOVERNING ADMINISTRATION OF BOARD.  
7 Sections 375.066-375.070, Local Government Code, apply to the board  
8 as if it were established under Chapter 375 of that code. (Loc.  
9 Gov. Code, Sec. 376.458, as added Acts 77th Leg., R.S., Ch. 1371.)

10 Sec. 3813.054. VOTING BY BOARD PRESIDENT RESTRICTED. The  
11 board president may not vote except to break a tie vote. (Loc. Gov.  
12 Code, Sec. 376.459, as added Acts 77th Leg., R.S., Ch. 1371.)

13 [Sections 3813.055-3813.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 3813.101. DISTRICT POWERS. The district has:

16 (1) all powers necessary to accomplish the purposes  
17 for which the district was created;

18 (2) the powers and duties of a municipal management  
19 district under Subchapter E, Chapter 375, Local Government Code;  
20 and

21 (3) the powers given to an industrial development  
22 corporation organized under the Development Corporation Act of 1979  
23 (Article 5190.6, Vernon's Texas Civil Statutes). (Loc. Gov. Code,  
24 Sec. 376.461, as added Acts 77th Leg., R.S., Ch. 1371.)

25 Sec. 3813.102. RELATION TO OTHER LAW. This chapter  
26 prevails over a law to which Section 3813.101 or Subchapter E,  
27 Chapter 375, Local Government Code, refers that is in conflict with

1 or is inconsistent with this chapter. (Loc. Gov. Code, Sec. 376.464  
2 (part), as added Acts 77th Leg., R.S., Ch. 1371.)

3 Sec. 3813.103. RULES. The district may adopt rules for:

- 4 (1) the administration and operation of the district;  
5 (2) the use, enjoyment, availability, protection,  
6 security, and maintenance of the district's facilities; and  
7 (3) the provision of public safety and security in the  
8 district. (Loc. Gov. Code, Sec. 376.462(a) (part), as added Acts  
9 77th Leg., R.S., Ch. 1371.)

10 Sec. 3813.104. SPECIFIC POWERS RELATING TO IMPROVEMENT  
11 PROJECTS OR SERVICES. (a) The district may undertake an  
12 improvement project separately or jointly with another person and  
13 pay all or part of the costs of an improvement project, including an  
14 improvement project that:

15 (1) improves, enhances, or supports public safety and  
16 security, fire protection, emergency medical services, or law  
17 enforcement in the district;

18 (2) confers a general benefit on the entire district  
19 and the areas adjacent to the district; or

20 (3) confers a special benefit on all or part of the  
21 district.

22 (b) A district improvement project or service may include:

23 (1) the construction, acquisition, lease, rental,  
24 installment purchase, improvement, rehabilitation, repair,  
25 relocation, and operation of:

26 (A) landscaping; lighting, banners, or signs;  
27 streets or sidewalks; pedestrian or bicycle paths and trails;



1 pedestrian walkways, skywalks, crosswalks, or tunnels; and highway  
2 right-of-way or transit corridor beautification and improvements;

3 (B) drainage or storm water detention  
4 improvements and solid waste, water, sewer, or power facilities and  
5 services, including electrical, gas, steam, and chilled water  
6 facilities and services;

7 (C) parks, lakes, gardens, recreational  
8 facilities, open space, scenic areas, and related exhibits and  
9 preserves; fountains, plazas, or pedestrian malls; public art or  
10 sculpture and related exhibits and facilities and educational or  
11 cultural exhibits and facilities, including exhibits, displays,  
12 attractions, or facilities for special events, holidays, or  
13 seasonal or cultural celebrations;

14 (D) off-street parking facilities, bus  
15 terminals, heliports, mass transit, and roadway or water  
16 transportation systems; and

17 (E) other public improvements, facilities, or  
18 services similar to the improvements, facilities, or services  
19 described by Paragraphs (A)-(D);

20 (2) the cost of removing, razing, demolishing, or  
21 clearing of land or improvements in connection with providing an  
22 improvement project;

23 (3) the acquisition of property or an interest in the  
24 property that is made in connection with an improvement project;  
25 and

26 (4) the provision of special or supplemental services  
27 to improve or promote the area in the district or to protect the

1 public health and safety in the district, including advertising,  
2 promotion, tourism, health and sanitation, public safety,  
3 security, fire protection or emergency medical services, business  
4 recruitment, development, elimination of traffic congestion, and  
5 recreational, educational, or cultural improvements, enhancements,  
6 or services. (Loc. Gov. Code, Secs. 376.462(a) (part), 376.463, as  
7 added Acts 77th Leg., R.S., Ch. 1371.)

8       Sec. 3813.105. LEASE, ACQUISITION, OR CONSTRUCTION OF  
9 BUILDING OR FACILITY; ECONOMIC DEVELOPMENT PROGRAMS. The district  
10 may, as if the district were a home-rule municipality with a  
11 population of more than 100,000:

12           (1) issue bonds and lease, acquire, or construct a  
13 building or facility as provided by Subchapter A, Chapter 1509,  
14 Government Code; and

15           (2) establish and administer a program as provided by  
16 Section 380.002, Local Government Code. (Loc. Gov. Code, Sec.  
17 376.462(d), as added Acts 77th Leg., R.S., Ch. 1371.)

18       Sec. 3813.106. CONTRACTS; GRANTS; DONATIONS. (a) The  
19 district may contract with any person to accomplish the purposes of  
20 this chapter on terms and for the period the board determines,  
21 including contracting for the payment of costs incurred by the  
22 person on behalf of the district, including all or part of the costs  
23 of an improvement project, from tax proceeds or any other specified  
24 source of money.

25           (b) The district may contract with a person to receive,  
26 administer, and perform the district's duties under a gift, grant,  
27 loan, conveyance, transfer, bequest, donation, or other financial

1 arrangement relating to the investigation, planning, analysis,  
2 acquisition, construction, completion, implementation, or  
3 operation of a proposed or existing improvement project.

4 (c) Any person, including any type of governmental entity,  
5 may contract with the district to carry out the purposes of this  
6 chapter. (Loc. Gov. Code, Secs. 376.462(a) (part), 376.475, as  
7 added Acts 77th Leg., R.S., Ch. 1371.)

8 Sec. 3813.107. ANNEXATION OR EXCLUSION OF  
9 TERRITORY. (a) The district may add or exclude territory in the  
10 manner provided by Subchapter J, Chapter 49, Water Code.

11 (b) Not later than the 10th day after the date on which the  
12 district annexes or excludes territory, the board shall send to the  
13 comptroller a certified copy of any resolution, order, or ordinance  
14 relating to the annexation or exclusion. (Loc. Gov. Code, Secs.  
15 376.462(a) (part), 376.473, as added Acts 77th Leg., R.S., Ch.  
16 1371.)

17 Sec. 3813.108. EMINENT DOMAIN. The district may not  
18 exercise the power of eminent domain. (Loc. Gov. Code, Sec.  
19 376.465, as added Acts 77th Leg., R.S., Ch. 1371.)

20 Sec. 3813.109. PEACE OFFICERS. The district may not employ  
21 peace officers. (Loc. Gov. Code, Sec. 376.462(b), as added Acts  
22 77th Leg., R.S., Ch. 1371.)

23 [Sections 3813.110-3813.150 reserved for expansion]

24 SUBCHAPTER D. FINANCIAL PROVISIONS

25 Sec. 3813.151. SALES AND USE TAX; EXCISE TAX. (a) For  
26 purposes of this section:

27 (1) "Taxable items" includes all items subject to a

1 sales and use tax that is imposed by Harris County.

2 (2) "Use," with respect to a taxable service, means  
3 the derivation in the district of a direct or indirect benefit from  
4 the service.

5 (b) The district may impose a sales and use tax if  
6 authorized by a majority vote at an election held for that purpose.

7 (c) If the district adopts a sales and use tax:

8 (1) the tax is imposed on the receipts from the sale at  
9 retail of taxable items in the district; and

10 (2) an excise tax is imposed on the use, storage, or  
11 other consumption in the district of taxable items purchased or  
12 rented from a retailer during the period in which the sales and use  
13 tax is effective in the district.

14 (d) The rate of the excise tax is the same as the rate of the  
15 sales tax portion of the tax applied to the sales price of the  
16 taxable items and is included in the sales tax. (Loc. Gov. Code,  
17 Secs. 376.462(a) (part), 376.466(a), (b) (part), (c), (d), as added  
18 Acts 77th Leg., R.S., Ch. 1371.)

19 Sec. 3813.152. TAX ELECTION PROCEDURES. (a) The board  
20 may order an election to adopt, change the rate of, or abolish a  
21 sales and use tax. The election may be held at the same time and in  
22 conjunction with a directors' election.

23 (b) The election must be held on the next uniform election  
24 date that falls on or after the 45th day after the date the election  
25 order is adopted.

26 (c) Notice of the election shall be given and the election  
27 shall be held in the manner prescribed for a bond election by

1 Subchapter D, Chapter 49, Water Code. (Loc. Gov. Code, Secs.  
2 376.467(a), (b), (c), as added Acts 77th Leg., R.S., Ch. 1371.)

3 Sec. 3813.153. BALLOT WORDING. (a) In an election to  
4 adopt a sales and use tax, the ballot shall be prepared to permit  
5 voting for or against the proposition: "The adoption of a local  
6 sales and use tax in the Old Town Spring Improvement District at the  
7 rate of (proposed tax rate)."

8 (b) In an election to change the rate of the sales and use  
9 tax, the ballot shall be prepared to permit voting for or against  
10 the proposition: "The (increase or decrease, as applicable) in the  
11 rate of the local sales and use tax imposed in the Old Town Spring  
12 Improvement District from (tax rate on election date) percent to  
13 (proposed tax rate) percent."

14 (c) In an election to abolish the sales and use tax, the  
15 ballot shall be prepared to permit voting for or against the  
16 proposition: "The abolition of the local sales and use tax in the  
17 Old Town Spring Improvement District." (Loc. Gov. Code, Secs.  
18 376.467(d), (e), (f), as added Acts 77th Leg., R.S., Ch. 1371.)

19 Sec. 3813.154. IMPOSITION, COMPUTATION, ADMINISTRATION,  
20 AND GOVERNANCE OF TAXES. (a) Chapter 323, Tax Code, to the extent  
21 not inconsistent with this chapter, governs the application,  
22 collection, and administration of the sales and use tax and the  
23 excise tax, except that Sections 323.401-323.406 and 323.505, Tax  
24 Code, do not apply. Subtitles A and B, Title 2, and Chapter 151, Tax  
25 Code, govern the administration and enforcement of the sales and  
26 use tax and the excise tax.

27 (b) Chapter 323, Tax Code, does not apply to the use and

1 allocation of revenues under this chapter.

2 (c) In applying Chapter 323, Tax Code:

3 (1) a reference in that chapter to "the county" means  
4 the district; and

5 (2) a reference in that chapter to "the commissioners  
6 court" means the board. (Loc. Gov. Code, Sec. 376.468, as added  
7 Acts 77th Leg., R.S., Ch. 1371.)

8 Sec. 3813.155. TAX RATES. The district may impose the sales  
9 and use tax and the excise tax in increments of one-eighth of one  
10 percent, with a minimum tax of one-half percent and a maximum tax of  
11 one percent. (Loc. Gov. Code, Sec. 376.470, as added Acts 77th  
12 Leg., R.S., Ch. 1371.)

13 Sec. 3813.156. ABOLITION OF TAX. The board by order and  
14 without an election may abolish the sales and use tax and the excise  
15 tax. (Loc. Gov. Code, Sec. 376.471, as added Acts 77th Leg., R.S.,  
16 Ch. 1371.)

17 Sec. 3813.157. USE OF TAXES. The district may use the  
18 proceeds from the sales and use tax and the excise tax only for the  
19 purposes for which the district was created. (Loc. Gov. Code, Secs.  
20 376.462(a) (part), 376.466(b) (part), 376.472, as added Acts 77th  
21 Leg., R.S., Ch. 1371.)

22 Sec. 3813.158. EFFECTIVE DATE OF TAX OR TAX CHANGE. The  
23 adoption of a tax rate or a change in the tax rate takes effect after  
24 the expiration of the first complete calendar quarter occurring  
25 after the date on which the comptroller receives a notice of the  
26 results of the election. (Loc. Gov. Code, Sec. 376.469, as added  
27 Acts 77th Leg., R.S., Ch. 1371.)

1           Sec. 3813.159. AD VALOREM TAX PROHIBITED. The district may  
2 not impose an ad valorem tax on property in the district. (Loc.  
3 Gov. Code, Sec. 376.462(c), as added Acts 77th Leg., R.S., Ch.  
4 1371.)

5           Sec. 3813.160. FEES; CHARGES. The district may:

6                 (1) establish and collect user fees, concession fees,  
7 admission fees, rental fees, or other similar fees or charges; and

8                 (2) apply the proceeds from those fees or charges for  
9 the enjoyment, sale, rental, or other use of the district's  
10 facilities, services, or improvement projects. (Loc. Gov. Code,  
11 Sec. 376.462(a) (part), as added Acts 77th Leg., R.S., Ch. 1371.)

12          Sec. 3813.161. BORROWING MONEY. The district may borrow  
13 money for the corporate purposes of the district. (Loc. Gov. Code,  
14 Sec. 376.462(a) (part), as added Acts 77th Leg., R.S., Ch. 1371.)

15          Sec. 3813.162. PAYMENT OF EXPENSES. The district may  
16 provide or secure the payment or repayment of any district expense,  
17 including:

18                 (1) a district cost relating to an improvement  
19 project;

20                 (2) a district contractual obligation or  
21 indebtedness, because of a lease, installment purchase contract, or  
22 other agreement; or

23                 (3) a tax, user fee, concession fee, rental fee, or  
24 other revenue or resources of the district. (Loc. Gov. Code, Sec.  
25 376.462(a) (part), as added Acts 77th Leg., R.S., Ch. 1371.)

26          Sec. 3813.163. BONDS. (a) The board may issue bonds as  
27 provided by Subchapter J, Chapter 375, Local Government Code.

1           (b) In addition to the sources described in Subchapter J,  
2 Chapter 375, Local Government Code, bonds issued by the district  
3 may be secured and made payable, in whole or in part, by a pledge of  
4 any part of the net proceeds the district receives from a specified  
5 portion of not more than one-half of the district's maximum sales  
6 and use tax amount authorized under Section 3813.152.

7           (c) Sections 375.207 and 375.208, Local Government Code, do  
8 not apply to bonds issued under this section. (Loc. Gov. Code, Sec.  
9 376.474, as added Acts 77th Leg., R.S., Ch. 1371.)

10           [Sections 3813.164-3813.200 reserved for expansion]

11                               SUBCHAPTER E. DISSOLUTION

12           Sec. 3813.201. DISSOLUTION BY BOARD ORDER. The board by  
13 order may dissolve the district at any time unless the district has  
14 outstanding indebtedness or contractual obligations. (Loc. Gov.  
15 Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 1371.)

16           Sec. 3813.202. DISSOLUTION BY PETITION OF OWNERS. (a) The  
17 board by order shall dissolve the district if the board receives a  
18 written petition signed by 75 percent or more of the individuals who  
19 own real property in the district.

20           (b) After the date the district is dissolved, the district  
21 may not impose taxes.

22           (c) If on the date the district is dissolved the district  
23 has outstanding liabilities, the board shall, not later than the  
24 30th day after the date of dissolution, adopt a resolution  
25 certifying each outstanding liability. Harris County shall assume  
26 the outstanding liabilities and shall collect the sales and use tax  
27 for the district for the remainder of the calendar year. Harris



County may continue to collect the tax for an additional calendar year if the commissioners court of the county finds that the tax revenue is needed to retire the district liabilities that were assumed by the county.

(d) The district may continue to operate for a period not to exceed two months after performing its duties under Subsection (c). The district is continued in effect for the purpose of performing those duties.

(e) If the district is continued in effect under Subsection (d), the district is dissolved entirely on the first day of the month following the month in which the board certifies to the secretary of state that the district has fully performed its duties under Subsection (c). (Loc. Gov. Code, Sec. 376.477, as added Acts 77th Leg., R.S., Ch. 1371.)

Sec. 3813.203. ADMINISTRATION OF DISTRICT PROPERTY FOLLOWING DISSOLUTION. (a) After the date the board orders the dissolution of the district, the board shall transfer ownership of all district property to Harris County, except as provided by Subsection (b).

(b) If, on the date on which the board orders the dissolution, more than 50 percent of the district territory is in a municipality, the board shall transfer ownership of the district's property to the municipality. (Loc. Gov. Code, Sec. 376.478, as added Acts 77th Leg., R.S., Ch. 1371.)

#### CHAPTER 3814. ENERGY CORRIDOR MANAGEMENT DISTRICT

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3814.001. DEFINITIONS

1 Sec. 3814.002. ENERGY CORRIDOR MANAGEMENT DISTRICT

2 Sec. 3814.003. PURPOSE; DECLARATION OF INTENT

3 Sec. 3814.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

4 Sec. 3814.005. DISTRICT TERRITORY

5 Sec. 3814.006. APPLICABILITY OF OTHER LAW

6 Sec. 3814.007. LIBERAL CONSTRUCTION OF CHAPTER

7 [Sections 3814.008-3814.050 reserved for expansion]

8 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

9 Sec. 3814.051. BOARD OF DIRECTORS

10 Sec. 3814.052. APPOINTMENT OF VOTING DIRECTORS

11 Sec. 3814.053. NONVOTING DIRECTORS

12 Sec. 3814.054. TERMS

13 Sec. 3814.055. COMPENSATION

14 Sec. 3814.056. CONFLICTS OF INTEREST

15 Sec. 3814.057. INITIAL DIRECTORS

16 [Sections 3814.058-3814.100 reserved for expansion]

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 3814.101. ADDITIONAL POWERS OF DISTRICT

19 Sec. 3814.102. NONPROFIT CORPORATION

20 Sec. 3814.103. AGREEMENTS; GRANTS

21 Sec. 3814.104. AUTHORITY TO CONTRACT FOR LAW

22 ENFORCEMENT

23 Sec. 3814.105. COMPETITIVE BIDDING

24 Sec. 3814.106. APPROVAL BY CITY OF HOUSTON

25 Sec. 3814.107. ELECTRONIC TRANSMISSIONS

26 [Sections 3814.108-3814.150 reserved for expansion]

27 SUBCHAPTER D. FINANCIAL PROVISIONS

1    Sec. 3814.151.    PETITION REQUIRED FOR FINANCING SERVICES  
2                                    AND IMPROVEMENTS  
3    Sec. 3814.152.    DISBURSEMENTS AND TRANSFERS OF MONEY  
4    Sec. 3814.153.    MAINTENANCE TAX  
5    Sec. 3814.154.    ASSESSMENTS; LIENS FOR ASSESSMENTS  
6    Sec. 3814.155.    UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
7                                    ASSESSMENTS  
8    Sec. 3814.156.    OBLIGATIONS  
9    Sec. 3814.157.    MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
10                                   OBLIGATIONS  
11   Sec. 3814.158.    ELECTIONS REGARDING TAXES OR BONDS  
12                    [Sections 3814.159-3814.200 reserved for expansion]  
13                                   SUBCHAPTER E. DISSOLUTION  
14   Sec. 3814.201.    DISSOLUTION OF DISTRICT WITH OUTSTANDING  
15                                   DEBT  
16                    CHAPTER 3814. ENERGY CORRIDOR MANAGEMENT DISTRICT  
17                                   SUBCHAPTER A. GENERAL PROVISIONS  
18                    Sec. 3814.001.    DEFINITIONS. In this chapter:  
19                                   (1) "Board" means the board of directors of the  
20    district.  
21                                   (2) "District" means the Energy Corridor Management  
22    District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
23    77th Leg., R.S., Ch. 1376.)  
24                    Sec. 3814.002.    ENERGY CORRIDOR MANAGEMENT DISTRICT. The  
25    Energy Corridor Management District is a special district created  
26    under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
27    Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1376.)

1           Sec. 3814.003. PURPOSE; DECLARATION OF INTENT. (a) The  
2 creation of the district is essential to accomplish the purposes of  
3 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
4 Texas Constitution, and other public purposes stated in this  
5 chapter.

6           (b) The creation of the district is necessary to promote,  
7 develop, encourage, and maintain employment, commerce,  
8 transportation, housing, tourism, recreation, the arts,  
9 entertainment, economic development, safety, and the public  
10 welfare in the area of the district.

11           (c) This chapter and the creation of the district may not be  
12 interpreted to relieve Harris County or the City of Houston from  
13 providing the level of services provided, as of June 16, 2001, to  
14 the area in the district. The district is created to supplement and  
15 not to supplant the county or city services provided in the area in  
16 the district. (Loc. Gov. Code, Sec. 376.452, as added Acts 77th  
17 Leg., R.S., Ch. 1376.)

18           Sec. 3814.004. FINDINGS OF BENEFIT AND PUBLIC  
19 PURPOSE. (a) The district is created to serve a public use and  
20 benefit.

21           (b) All land and other property included in the district  
22 will benefit from the improvements and services to be provided by  
23 the district under powers conferred by Sections 52 and 52-a,  
24 Article III, and Section 59, Article XVI, Texas Constitution, and  
25 other powers granted under this chapter.

26           (c) The creation of the district is in the public interest  
27 and is essential to:

1           (1) further the public purposes of developing and  
2 diversifying the economy of the state;

3           (2) eliminate unemployment and underemployment; and

4           (3) develop or expand transportation and commerce.

5       (d) The district will:

6           (1) promote the health, safety, and general welfare of  
7 residents, employers, employees, visitors, and consumers in the  
8 district, and of the public;

9           (2) provide needed funding to preserve, maintain, and  
10 enhance the economic health and vitality of the district as a  
11 community and business center; and

12           (3) promote the health, safety, welfare, and enjoyment  
13 of the public by providing pedestrian ways and by landscaping and  
14 developing certain areas in the district, which are necessary for  
15 the restoration, preservation, and enhancement of scenic beauty.

16       (e) Pedestrian ways along or across a street, whether at  
17 grade or above or below the surface, and street lighting, street  
18 landscaping, and street art objects are parts of and necessary  
19 components of a street and are considered to be a street or road  
20 improvement.

21       (f) The district will not act as the agent or  
22 instrumentality of any private interest even though the district  
23 will benefit many private interests as well as the public. (Loc.  
24 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1376.)

25       Sec. 3814.005. DISTRICT TERRITORY. (a) The district is  
26 composed of the territory described by Chapter 1376, Acts of the  
27 77th Legislature, Regular Session, 2001, enacting former Section

1 376.454, Local Government Code, as that territory may have been  
2 modified under:

3 (1) Subchapter J, Chapter 49, Water Code; or

4 (2) other law.

5 (b) The boundaries and field notes of the district contained  
6 in Chapter 1376, Acts of the 77th Legislature, Regular Session,  
7 2001, enacting former Section 376.454, Local Government Code, form  
8 a closure. A mistake in the field notes or in copying the field  
9 notes in the legislative process does not affect the district's:

10 (1) organization, existence, or validity;

11 (2) right to issue any type of bond for a purpose for  
12 which the district is created or to pay the principal of and  
13 interest on a bond;

14 (3) right to impose or collect an assessment or tax; or

15 (4) legality or operation. (Loc. Gov. Code, Sec.  
16 376.455, as added Acts 77th Leg., R.S., Ch. 1376; New.)

17 Sec. 3814.006. APPLICABILITY OF OTHER LAW. Except as  
18 otherwise provided by this chapter, Chapter 375, Local Government  
19 Code, applies to the district. (Loc. Gov. Code, Sec. 376.457, as  
20 added Acts 77th Leg., R.S., Ch. 1376.)

21 Sec. 3814.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
22 chapter shall be liberally construed in conformity with the  
23 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
24 376.458, as added Acts 77th Leg., R.S., Ch. 1376.)

25 [Sections 3814.008-3814.050 reserved for expansion]

26 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

27 Sec. 3814.051. BOARD OF DIRECTORS. The district is

1 governed by a board of:

2 (1) nine voting directors appointed under Section  
3 3814.052; and

4 (2) nonvoting directors as provided by Section  
5 3814.053. (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th  
6 Leg., R.S., Ch. 1376.)

7 Sec. 3814.052. APPOINTMENT OF VOTING DIRECTORS. (a) The  
8 mayor and members of the governing body of the City of Houston shall  
9 appoint voting directors from persons recommended by the board. A  
10 person is appointed if a majority of the members and the mayor vote  
11 to appoint that person.

12 (b) A person may not be appointed to the board if the  
13 appointment of that person would result in fewer than two-thirds of  
14 the directors residing in the City of Houston. (Loc. Gov. Code,  
15 Sec. 376.460, as added Acts 77th Leg., R.S., Ch. 1376.)

16 Sec. 3814.053. NONVOTING DIRECTORS. (a) The following  
17 persons serve as nonvoting directors:

18 (1) the directors of the parks and recreation,  
19 planning and development, public works, and civic center  
20 departments of the City of Houston;

21 (2) the chief of police of the City of Houston;

22 (3) the director of the engineering division of the  
23 Harris County department of public infrastructure;

24 (4) Harris County's general manager of the  
25 Metropolitan Transit Authority of Harris County, Texas;

26 (5) the president of each institution of higher  
27 learning located in the district; and

1           (6) the Houston district engineer for the Texas  
2 Department of Transportation.

3           (b) If an agency, department, or division described by  
4 Subsection (a) is consolidated, renamed, or changed, the board may  
5 appoint a director of the consolidated, renamed, or changed agency,  
6 department, or division as a nonvoting director. If an agency,  
7 department, or division described by Subsection (a) is abolished,  
8 the board may appoint a representative of another agency,  
9 department, or division that performs duties comparable to those  
10 performed by the abolished entity. (Loc. Gov. Code, Sec. 376.461,  
11 as added Acts 77th Leg., R.S., Ch. 1376.)

12           Sec. 3814.054. TERMS. The voting directors serve staggered  
13 terms of four years, with four directors' terms expiring June 1 of  
14 an odd-numbered year and five directors' terms expiring June 1 of  
15 the following odd-numbered year. (Loc. Gov. Code, Sec. 376.459(b),  
16 as added Acts 77th Leg., R.S., Ch. 1376.)

17           Sec. 3814.055. COMPENSATION. A voting director may receive  
18 compensation as provided by Section 49.060, Water Code. (Loc. Gov.  
19 Code, Sec. 376.459(c), as added Acts 77th Leg., R.S., Ch. 1376.)

20           Sec. 3814.056. CONFLICTS OF INTEREST. (a) Except as  
21 provided by this section:

22               (1) a director may participate in all board votes and  
23 decisions; and

24               (2) Chapter 171, Local Government Code, governs  
25 conflicts of interest for directors.

26           (b) Section 171.004, Local Government Code, does not apply  
27 to the district. A director who has a substantial interest in a



1 business or charitable entity that will receive a pecuniary benefit  
2 from a board action shall file an affidavit with the board secretary  
3 declaring the interest. Another affidavit is not required if the  
4 director's interest changes.

5 (c) After the affidavit is filed, the director may  
6 participate in a discussion or vote on that action if:

7 (1) a majority of the directors have a similar  
8 interest in the same entity; or

9 (2) all other similar business or charitable entities  
10 in the district will receive a similar pecuniary benefit.

11 (d) A director who is also an officer or employee of a public  
12 entity may not participate in a discussion of or vote on a matter  
13 regarding a contract with that same public entity.

14 (e) For purposes of this section, a director has a  
15 substantial interest in a charitable entity in the same manner that  
16 a person would have a substantial interest in a business entity  
17 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
18 Sec. 376.462, as added Acts 77th Leg., R.S., Ch. 1376.)

19 Sec. 3814.057. INITIAL DIRECTORS. (a) The initial board  
20 consists of the following persons:

21	Pos. No.	Name of Director
22	1	Robert Becker
23	2	Tom Blackwell
24	3	Lynn Grafing
25	4	Rick Rice
26	5	David W. Hightower
27	6	Mike Turner

1                   7                   Ned Holmes  
2                   8                   Roger H. Hord  
3                   9                   Cathy Wining

4           (b) The terms of the initial directors appointed for  
5 positions 1 through 5 expire June 1, 2005, and the terms of the  
6 initial directors appointed for positions 6 through 9 expire June  
7 1, 2003.

8           (c) Section 3814.052 does not apply to this section.

9           (d) This section expires September 1, 2006. (Loc. Gov.  
10 Code, Sec. 376.477, as added Acts 77th Leg., R.S., Ch. 1376.)

11           [Sections 3814.058-3814.100 reserved for expansion]

12                               SUBCHAPTER C. POWERS AND DUTIES

13           Sec. 3814.101. ADDITIONAL POWERS OF DISTRICT. The district  
14 may exercise the powers given to:

15                   (1) a corporation created under Section 4B,  
16 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
17 Civil Statutes); and

18                   (2) a housing finance corporation created under  
19 Chapter 394, Local Government Code, to provide housing or  
20 residential development projects in the district. (Loc. Gov. Code,  
21 Sec. 376.464, as added Acts 77th Leg., R.S., Ch. 1376.)

22           Sec. 3814.102. NONPROFIT CORPORATION. (a) The board by  
23 resolution may authorize the creation of a nonprofit corporation to  
24 assist and act for the district in implementing a project or  
25 providing a service authorized by this chapter.

26           (b) The nonprofit corporation:

27                   (1) has each power of and is considered for purposes of

1 this chapter to be a local government corporation created under  
2 Chapter 431, Transportation Code; and

3 (2) may implement any project and provide any service  
4 authorized by this chapter.

5 (c) The board shall appoint the board of directors of the  
6 nonprofit corporation. The board of directors of the nonprofit  
7 corporation shall serve in the same manner as the board of directors  
8 of a local government corporation created under Chapter 431,  
9 Transportation Code. (Loc. Gov. Code, Sec. 376.466, as added Acts  
10 77th Leg., R.S., Ch. 1376.)

11 Sec. 3814.103. AGREEMENTS; GRANTS. (a) The district may  
12 make an agreement with or accept a gift, grant, or loan from any  
13 person.

14 (b) The implementation of a project is a governmental  
15 function or service for the purposes of Chapter 791, Government  
16 Code. (Loc. Gov. Code, Secs. 376.465(a), (b), as added Acts 77th  
17 Leg., R.S., Ch. 1376.)

18 Sec. 3814.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
19 To protect the public interest, the district may contract with  
20 Harris County or the City of Houston to provide law enforcement  
21 services in the district for a fee. (Loc. Gov. Code, Sec.  
22 376.465(c), as added Acts 77th Leg., R.S., Ch. 1376.)

23 Sec. 3814.105. COMPETITIVE BIDDING. Section 375.221, Local  
24 Government Code, applies to the district only for a contract that  
25 has a value of more than \$25,000. (Loc. Gov. Code, Sec. 376.475, as  
26 added Acts 77th Leg., R.S., Ch. 1376.)

27 Sec. 3814.106. APPROVAL BY CITY OF HOUSTON. (a) Except as

1 provided by Subsection (b), the district must obtain approval from  
2 the City of Houston's governing body:

3 (1) for the issuance of bonds for each improvement  
4 project;

5 (2) of the plans and specifications of the improvement  
6 project financed by the bond; and

7 (3) of the plans and specifications of an improvement  
8 project related to:

9 (A) the use of land owned by the City of Houston;

10 (B) an easement granted by the City of Houston;

11 or

12 (C) a right-of-way of a street, road, or highway.

13 (b) If the district obtains the approval of the City of  
14 Houston's governing body of a capital improvements budget for a  
15 period not to exceed five years, the district may finance the  
16 capital improvements and issue bonds specified in the budget  
17 without further approval from the City of Houston. (Loc. Gov. Code,  
18 Secs. 376.473(a), (b), as added Acts 77th Leg., R.S., Ch. 1376.)

19 Sec. 3814.107. ELECTRONIC TRANSMISSIONS. (a) The district  
20 may acquire, operate, or charge fees for the use of district  
21 conduits for:

22 (1) another person's:

23 (A) telecommunications network;

24 (B) fiber-optic cable; or

25 (C) electronic transmission line; or

26 (2) any other type of transmission line or supporting  
27 facility.

(b) The district may not require a person to use a district conduit. (Loc. Gov. Code, Sec. 376.463, as added Acts 77th Leg., R.S., Ch. 1376.)

[Sections 3814.108-3814.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3814.151. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS. (a) The board may not finance a service or an improvement project under this chapter unless a written petition requesting that service or improvement is filed with the board.

(b) The petition must be signed by:

(1) the owners of a majority of the assessed value of real property in the district according to the most recent certified tax appraisal roll for Harris County; or

(2) at least 25 owners of land in the district, if more than 25 persons own property in the district according to the most recent certified tax appraisal roll for Harris County. (Loc. Gov. Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch. 1376.)

Sec. 3814.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money. (Loc. Gov. Code, Sec. 376.474, as added Acts 77th Leg., R.S., Ch. 1376.)

Sec. 3814.153. MAINTENANCE TAX. (a) If authorized at an election held in accordance with Section 3814.158, the district may impose an annual ad valorem tax on taxable property in the district to:

(1) maintain and operate the district and the

1 improvements constructed or acquired by the district; or

2 (2) provide a service.

3 (b) The board shall determine the tax rate. (Loc. Gov.  
4 Code, Sec. 376.469, as added Acts 77th Leg., R.S., Ch. 1376.)

5 Sec. 3814.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
6 The board by resolution may impose and collect an assessment for any  
7 purpose authorized by this chapter.

8 (b) An assessment, a reassessment, or an assessment  
9 resulting from an addition to or correction of the assessment roll  
10 by the district, penalties and interest on an assessment or  
11 reassessment, an expense of collection, and reasonable attorney's  
12 fees incurred by the district:

13 (1) are a first and prior lien against the property  
14 assessed;

15 (2) are superior to any other lien or claim other than  
16 a lien or claim for county, school district, or municipal ad valorem  
17 taxes; and

18 (3) are the personal liability of and a charge against  
19 the owners of the property even if the owners are not named in the  
20 assessment proceeding.

21 (c) The lien is effective from the date of the board's  
22 resolution imposing the assessment until the date the assessment is  
23 paid. The board may enforce the lien in the same manner that the  
24 board may enforce an ad valorem tax lien against real property.  
25 (Loc. Gov. Code, Sec. 376.470, as added Acts 77th Leg., R.S., Ch.  
26 1376.)

27 Sec. 3814.155. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND

1 ASSESSMENTS. The district may not impose an impact fee or  
2 assessment on the property, including the equipment,  
3 rights-of-way, facilities, or improvements, of:

4 (1) an electric utility or a power generation company  
5 as defined by Section 31.002, Utilities Code;

6 (2) a gas utility as defined by Section 101.003 or  
7 121.001, Utilities Code; or

8 (3) a person that provides to the public cable  
9 television or advanced services. (Loc. Gov. Code, Sec. 376.471, as  
10 added Acts 77th Leg., R.S., Ch. 1376.)

11 Sec. 3814.156. OBLIGATIONS. (a) The district may issue  
12 bonds or other obligations payable in whole or in part from ad  
13 valorem taxes, assessments, impact fees, revenue, grants, or other  
14 money of the district, or any combination of those sources of money,  
15 to pay for any authorized purpose of the district.

16 (b) In exercising the district's borrowing power, the  
17 district may issue a bond or other obligation in the form of a bond,  
18 note, certificate of participation or other instrument evidencing a  
19 proportionate interest in payments to be made by the district, or  
20 other type of obligation. (Loc. Gov. Code, Sec. 376.472, as added  
21 Acts 77th Leg., R.S., Ch. 1376.)

22 Sec. 3814.157. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
23 OBLIGATIONS. Except as provided by Section 375.263, Local  
24 Government Code, a municipality is not required to pay a bond, note,  
25 or other obligation of the district. (Loc. Gov. Code, Sec.  
26 376.473(c), as added Acts 77th Leg., R.S., Ch. 1376.)

27 Sec. 3814.158. ELECTIONS REGARDING TAXES OR

1 BONDS. (a) In addition to the elections required under  
2 Subchapter L, Chapter 375, Local Government Code, the district must  
3 hold an election in the manner provided by that subchapter to obtain  
4 voter approval before the district may:

5 (1) impose a maintenance tax; or

6 (2) issue a bond payable from ad valorem taxes or  
7 assessments.

8 (b) The board may include more than one purpose in a single  
9 proposition at an election. (Loc. Gov. Code, Sec. 376.468, as added  
10 Acts 77th Leg., R.S., Ch. 1376.)

11 [Sections 3814.159-3814.200 reserved for expansion]

12 SUBCHAPTER E. DISSOLUTION

13 Sec. 3814.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
14 DEBT. (a) The board may dissolve the district regardless of  
15 whether the district has debt. Section 375.264, Local Government  
16 Code, does not apply to the district.

17 (b) If the district has debt when it is dissolved, the  
18 district shall remain in existence solely for the purpose of  
19 discharging its debts. The dissolution is effective when all debts  
20 have been discharged. (Loc. Gov. Code, Sec. 376.476, as added Acts  
21 77th Leg., R.S., Ch. 1376.)

22 CHAPTER 3815. GREATER SOUTHEAST MANAGEMENT DISTRICT

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 3815.001. DEFINITIONS

25 Sec. 3815.002. GREATER SOUTHEAST MANAGEMENT DISTRICT

26 Sec. 3815.003. PURPOSE; DECLARATION OF INTENT

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- 1    Sec. 3815.005.    DISTRICT TERRITORY
- 2    Sec. 3815.006.    APPLICABILITY OF OTHER LAW
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- 5                    [Sections 3815.009-3815.050 reserved for expansion]
- 6                    SUBCHAPTER B.    BOARD OF DIRECTORS
- 7    Sec. 3815.051.    BOARD OF DIRECTORS; TERMS
- 8    Sec. 3815.052.    APPOINTMENT OF DIRECTORS
- 9    Sec. 3815.053.    EX OFFICIO DIRECTORS
- 10   Sec. 3815.054.    CONFLICTS OF INTEREST
- 11                    [Sections 3815.055-3815.100 reserved for expansion]
- 12                    SUBCHAPTER C.    POWERS AND DUTIES
- 13   Sec. 3815.101.    DISTRICT POWERS
- 14   Sec. 3815.102.    NONPROFIT CORPORATION
- 15   Sec. 3815.103.    CONTRACTS; GRANTS; DONATIONS
- 16   Sec. 3815.104.    COMPETITIVE BIDDING
- 17   Sec. 3815.105.    ANNEXATION
- 18                    [Sections 3815.106-3815.150 reserved for expansion]
- 19                    SUBCHAPTER D.    FINANCIAL PROVISIONS
- 20   Sec. 3815.151.    PETITION REQUIRED FOR FINANCING SERVICES
- 21                    AND IMPROVEMENTS
- 22   Sec. 3815.152.    DISBURSEMENTS AND TRANSFERS OF MONEY
- 23   Sec. 3815.153.    BOARD VOTE REQUIRED TO IMPOSE TAXES,
- 24                    ASSESSMENTS, OR IMPACT FEES
- 25   Sec. 3815.154.    AUTHORITY TO IMPOSE TAXES, ASSESSMENTS, AND
- 26                    IMPACT FEES
- 27   Sec. 3815.155.    MAINTENANCE TAX

1 Sec. 3815.156. ASSESSMENTS; LIENS FOR ASSESSMENTS

2 Sec. 3815.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
3 ASSESSMENTS

4 Sec. 3815.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

5 Sec. 3815.159. ELECTIONS REGARDING TAXES OR BONDS

6 [Sections 3815.160-3815.200 reserved for expansion]

7 SUBCHAPTER E. DISSOLUTION

8 Sec. 3815.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
9 DEBT

10 CHAPTER 3815. GREATER SOUTHEAST MANAGEMENT DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 3815.001. DEFINITIONS. In this subchapter:

13 (1) "Board" means the board of directors of the  
14 district.

15 (2) "District" means the Greater Southeast Management  
16 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
17 77th Leg., R.S., Ch. 1476.)

18 Sec. 3815.002. GREATER SOUTHEAST MANAGEMENT DISTRICT. A  
19 special district known as the "Greater Southeast Management  
20 District" is a political subdivision of this state. (Loc. Gov.  
21 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1476.)

22 Sec. 3815.003. PURPOSE; DECLARATION OF INTENT. (a) The  
23 creation of the district is essential to accomplish the purposes of  
24 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
25 Texas Constitution, and other public purposes stated in this  
26 chapter. By creating the district and in authorizing Harris  
27 County, the City of Houston, and other political subdivisions to

1 contract with the district, the legislature has established a  
2 program to accomplish the public purposes set out in Section 52-a,  
3 Article III, Texas Constitution.

4 (b) The creation of the district is necessary to promote,  
5 develop, encourage, and maintain employment, commerce,  
6 transportation, housing, tourism, recreation, the arts,  
7 entertainment, economic development, safety, and the public  
8 welfare in the southeast area of the city of Houston.

9 (c) This chapter and the creation of the district may not be  
10 interpreted to relieve Harris County or the City of Houston from  
11 providing the level of services provided as of June 17, 2001, to the  
12 area in the district or to release the county or the city from the  
13 obligations of each entity to provide services to that area. The  
14 district is created to supplement and not to supplant the county or  
15 city services provided in the area in the district. (Loc. Gov.  
16 Code, Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
17 1476.)

18 Sec. 3815.004. FINDINGS OF BENEFIT AND PUBLIC  
19 PURPOSE. (a) The district is created to serve a public use and  
20 benefit.

21 (b) All land and other property included in the district  
22 will benefit from the improvements and services to be provided by  
23 the district under powers conferred by Sections 52 and 52-a,  
24 Article III, and Section 59, Article XVI, Texas Constitution, and  
25 other powers granted under this chapter.

26 (c) The creation of the district is in the public interest  
27 and is essential to:

1           (1) further the public purposes of developing and  
2 diversifying the economy of the state;

3           (2) eliminate unemployment and underemployment; and

4           (3) develop or expand transportation and commerce.

5       (d) The district will:

6           (1) promote the health, safety, and general welfare of  
7 residents, employers, employees, visitors, and consumers in the  
8 district, and of the public;

9           (2) provide money to preserve, maintain, and enhance  
10 the economic health and vitality of the district as a community and  
11 business center; and

12          (3) promote the health, safety, welfare, and enjoyment  
13 of the public by providing pedestrian ways and by landscaping and  
14 developing certain areas in the district, which are necessary for  
15 the restoration, preservation, and enhancement of scenic and  
16 aesthetic beauty.

17       (e) Pedestrian ways along or across a street, whether at  
18 grade or above or below the surface, and street lighting, street  
19 landscaping, and street art objects are parts of and necessary  
20 components of a street and are considered to be a street or road  
21 improvement.

22       (f) The district will not act as the agent or  
23 instrumentality of any private interest even though the district  
24 will benefit many private interests as well as the public. (Loc.  
25 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1476.)

26       Sec. 3815.005. DISTRICT TERRITORY. (a) The district is  
27 composed of the territory described by Section 1, Chapter 1476,

1 Acts of the 77th Legislature, Regular Session, 2001, enacting  
2 former Section 376.454, Local Government Code, as that territory  
3 may have been modified under:

4 (1) Section 3815.105 or its predecessor statute,  
5 former Section 376.479, Local Government Code, as added by Chapter  
6 1476, Acts of the 77th Legislature, Regular Session, 2001;

7 (2) Subchapter J, Chapter 49, Water Code; or

8 (3) other law.

9 (b) The boundaries and field notes of the district contained  
10 in Section 1, Chapter 1476, Acts of the 77th Legislature, Regular  
11 Session, 2001, enacting former Section 376.454, Local Government  
12 Code, form a closure. A mistake in the field notes or in copying the  
13 field notes in the legislative process does not in any way affect:

14 (1) the district's organization, existence, and  
15 validity;

16 (2) the district's right to issue any type of bond,  
17 including a refunding bond, for a purpose for which the district is  
18 created or to pay the principal of and interest on the bond;

19 (3) the district's right to impose and collect an  
20 assessment or tax; or

21 (4) the legality or operation of the district or the  
22 board. (Loc. Gov. Code, Sec. 376.455, as added Acts 77th Leg.,  
23 R.S., Ch. 1476; New.)

24 Sec. 3815.006. APPLICABILITY OF OTHER LAW. Except as  
25 otherwise provided by this chapter, Chapter 375, Local Government  
26 Code, applies to the district, the board, and district employees.  
27 (Loc. Gov. Code, Secs. 376.457, 376.461 (part), as added Acts 77th

1 Leg., R.S., Ch. 1476.)

2       Sec. 3815.007. RELATION TO OTHER LAW. This chapter  
3 prevails over any provision of general law, including a law to which  
4 this chapter refers, that is in conflict with or is inconsistent  
5 with this chapter. (Loc. Gov. Code, Sec. 376.466 (part), as added  
6 Acts 77th Leg., R.S., Ch. 1476.)

7       Sec. 3815.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
8 chapter shall be liberally construed in conformity with the  
9 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
10 376.458, as added Acts 77th Leg., R.S., Ch. 1476.)

11       [Sections 3815.009-3815.050 reserved for expansion]

12                   SUBCHAPTER B. BOARD OF DIRECTORS

13       Sec. 3815.051. BOARD OF DIRECTORS; TERMS. (a) The  
14 district is governed by a board of 21 directors who serve staggered  
15 terms of four years, with 10 directors' terms expiring June 1 of an  
16 odd-numbered year and 11 directors' terms expiring June 1 of the  
17 following odd-numbered year.

18       (b) The board by resolution may increase or decrease the  
19 number of directors on the board, but only if it is in the best  
20 interest of the district to do so. The board may not:

21               (1) increase the number of directors to more than 30;

22 or

23               (2) decrease the number of directors to fewer than 9.

24 (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th Leg., R.S.,  
25 Ch. 1476.)

26       Sec. 3815.052. APPOINTMENT OF DIRECTORS. The mayor and  
27 members of the governing body of the City of Houston shall appoint

1 directors from persons recommended by the board who meet the  
2 qualifications prescribed by Subchapter D, Chapter 375, Local  
3 Government Code. (Loc. Gov. Code, Sec. 376.460 (part), as added  
4 Acts 77th Leg., R.S., Ch. 1476.)

5 Sec. 3815.053. EX OFFICIO DIRECTORS. (a) The following  
6 persons serve as nonvoting ex officio directors:

7 (1) the directors of the parks and recreation,  
8 planning and development, public works, and civic center  
9 departments of the City of Houston;

10 (2) the chief of police of the City of Houston;

11 (3) the general manager of the Metropolitan Transit  
12 Authority of Harris County, Texas; and

13 (4) the president of each institution of higher  
14 learning located in the district.

15 (b) If a department described by Subsection (a) is  
16 consolidated, renamed, or changed, the board may appoint a director  
17 of the consolidated, renamed, or changed department as a nonvoting  
18 ex officio director. If a department described by Subsection (a) is  
19 abolished, the board may appoint as a director a representative of  
20 another department of the City of Houston that performs duties  
21 comparable to those performed by the abolished department.

22 (c) The board may appoint the presiding officer of a  
23 nonprofit corporation actively involved in activities in the  
24 southeast area of the city of Houston to serve as a nonvoting ex  
25 officio director. (Loc. Gov. Code, Sec. 376.463, as added Acts  
26 77th Leg., R.S., Ch. 1476.)

27 Sec. 3815.054. CONFLICTS OF INTEREST. (a) Except as

1 provided by this section:

2 (1) a director may participate in all board votes and  
3 decisions; and

4 (2) Chapter 171, Local Government Code, governs  
5 conflicts of interest of directors.

6 (b) Section 171.004, Local Government Code, does not apply  
7 to the district. A director who has a substantial interest in a  
8 business or charitable entity that will receive a pecuniary benefit  
9 from a board action shall file an affidavit with the board secretary  
10 declaring the interest. Another affidavit is not required if the  
11 director's interest changes.

12 (c) After the affidavit is filed, the director may  
13 participate in a discussion or vote on that action if:

14 (1) a majority of the directors have a similar  
15 interest in the same entity; or

16 (2) all other similar business or charitable entities  
17 in the district will receive a similar pecuniary benefit.

18 (d) A director who is also an officer or employee of a public  
19 entity may not participate in a discussion of or vote on a matter  
20 regarding a contract with that same public entity.

21 (e) For purposes of this section, a director has a  
22 substantial interest in a charitable entity in the same manner that  
23 a person would have a substantial interest in a business entity  
24 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
25 Sec. 376.464, as added Acts 77th Leg., R.S., Ch. 1476.)

26 [Sections 3815.055-3815.100 reserved for expansion]

27 SUBCHAPTER C. POWERS AND DUTIES



1           Sec. 3815.101. DISTRICT POWERS. The district has:

2               (1) all powers necessary to accomplish the purposes  
3 for which the district was created;

4               (2) the powers given to a corporation under Section  
5 4B, the Development Corporation Act of 1979 (Article 5190.6,  
6 Vernon's Texas Civil Statutes), and the power to own, operate,  
7 acquire, construct, lease, improve, and maintain projects; and

8               (3) the powers given to a housing finance corporation  
9 created under Chapter 394, Local Government Code, to provide  
10 housing or residential development projects in the district. (Loc.  
11 Gov. Code, Sec. 376.461 (part), as added Acts 77th Leg., R.S., Ch.  
12 1476.)

13           Sec. 3815.102. NONPROFIT CORPORATION. (a) The board by  
14 resolution may authorize the creation of a nonprofit corporation to  
15 assist and act for the district in implementing a project or  
16 providing a service authorized by this chapter.

17               (b) The nonprofit corporation:

18                   (1) has each power of and is considered for purposes of  
19 this chapter to be a local government corporation created under  
20 Chapter 431, Transportation Code; and

21                   (2) may implement any project and provide any service  
22 authorized by this chapter.

23               (c) The board shall appoint the board of directors of the  
24 nonprofit corporation. The board of directors of the nonprofit  
25 corporation shall serve in the same manner as, for the same term as,  
26 and on the conditions of the board of directors of a local  
27 government corporation created under Chapter 431, Transportation

1 Code. (Loc. Gov. Code, Sec. 376.468, as added Acts 77th Leg., R.S.,  
2 Ch. 1476.)

3 Sec. 3815.103. CONTRACTS; GRANTS; DONATIONS. (a) To  
4 protect the public interest, the district may contract with Harris  
5 County or the City of Houston for the county or city to provide law  
6 enforcement services in the district for a fee.

7 (b) Harris County, the City of Houston, or another political  
8 subdivision of this state, without further authorization, may  
9 contract with the district to implement a project of the district or  
10 assist the district in providing a service authorized under this  
11 chapter. A contract under this subsection may:

12 (1) be for a period on which the parties agree;

13 (2) include terms on which the parties agree;

14 (3) be payable from taxes or any other source of  
15 revenue that may be available for that project or service; or

16 (4) provide terms under which taxes or other revenue  
17 collected at a district project or from a person using or purchasing  
18 a commodity or service at a district project may be paid or rebated  
19 to the district.

20 (c) The district may enter into a contract, lease, or other  
21 agreement with or make or accept a grant or loan to or from, or  
22 accept donations from, any person, including:

23 (1) the United States;

24 (2) this state or a state agency;

25 (3) any political subdivision of this state; or

26 (4) a public or private corporation, including a  
27 nonprofit corporation created by the board under this subchapter.

1           (d) The district may perform all acts necessary for the full  
2 exercise of the powers vested in the district on terms and for the  
3 period the board determines advisable.

4           (e) The implementation of a project is a governmental  
5 function or service for purposes of Chapter 791, Government Code.  
6 (Loc. Gov. Code, Secs. 376.477, 376.480, as added Acts 77th Leg.,  
7 R.S., Ch. 1476.)

8           Sec. 3815.104. COMPETITIVE BIDDING. Section 375.221, Local  
9 Government Code, does not apply to a district contract for \$25,000  
10 or less. (Loc. Gov. Code, Sec. 376.478, as added Acts 77th Leg.,  
11 R.S., Ch. 1476.)

12           Sec. 3815.105. ANNEXATION. In addition to the authority to  
13 annex territory under Subchapter C, Chapter 375, Local Government  
14 Code, the district has the authority to annex territory located in a  
15 reinvestment zone created by the City of Houston under Chapter 311,  
16 Tax Code, if the city's governing body consents to the annexation.  
17 (Loc. Gov. Code, Sec. 376.479, as added Acts 77th Leg., R.S., Ch.  
18 1476.)

19           [Sections 3815.106-3815.150 reserved for expansion]

20                       SUBCHAPTER D. FINANCIAL PROVISIONS

21           Sec. 3815.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
22 IMPROVEMENTS. (a) The board may not finance a service or an  
23 improvement project under this chapter unless a written petition  
24 requesting that service or improvement is filed with the board.

25           (b) The petition must be signed by:

26                       (1) the owners of a majority of the assessed value of  
27 real property in the district according to the most recent

1 certified tax appraisal roll for Harris County; or

2 (2) at least 50 owners of land in the district, if more  
3 than 50 persons own property in the district according to the most  
4 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
5 Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch. 1476.)

6 Sec. 3815.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
7 board by resolution shall establish the number of directors'  
8 signatures and the procedure required for a disbursement or  
9 transfer of the district's money. (Loc. Gov. Code, Sec. 376.469, as  
10 added Acts 77th Leg., R.S., Ch. 1476.)

11 Sec. 3815.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
12 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
13 or impact fee requires a vote of a majority of the directors  
14 serving. (Loc. Gov. Code, Sec. 376.459(b) (part), as added Acts  
15 77th Leg., R.S., Ch. 1476.)

16 Sec. 3815.154. AUTHORITY TO IMPOSE TAXES, ASSESSMENTS, AND  
17 IMPACT FEES. The district may impose an ad valorem tax, assessment,  
18 or impact fee as provided by Chapter 375, Local Government Code, to  
19 provide an improvement or service for a project or activity the  
20 district may acquire, construct, improve, or provide under this  
21 chapter. (Loc. Gov. Code, Sec. 376.461 (part), as added Acts 77th  
22 Leg., R.S., Ch. 1476.)

23 Sec. 3815.155. MAINTENANCE TAX. (a) If authorized at an  
24 election held in accordance with Section 3815.159, the district may  
25 impose an annual ad valorem tax on taxable property in the district  
26 to:

27 (1) maintain and operate the district and the

1 improvements constructed or acquired by the district; or

2 (2) provide a service.

3 (b) The board shall determine the tax rate. (Loc. Gov.  
4 Code, Sec. 376.475, as added Acts 77th Leg., R.S., Ch. 1476.)

5 Sec. 3815.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
6 The board by resolution may impose and collect an assessment for any  
7 purpose authorized by this chapter.

8 (b) An assessment, a reassessment, or an assessment  
9 resulting from an addition to or correction of the assessment roll  
10 by the district, penalties and interest on an assessment or  
11 reassessment, an expense of collection, and reasonable attorney's  
12 fees incurred by the district:

13 (1) are a first and prior lien against the property  
14 assessed;

15 (2) are superior to any other lien or claim other than  
16 a lien or claim for county, school district, or municipal ad valorem  
17 taxes; and

18 (3) are the personal liability of and a charge against  
19 the owners of the property even if the owners are not named in the  
20 assessment proceeding.

21 (c) The lien is effective from the date of the board's  
22 resolution imposing the assessment until the date the assessment is  
23 paid. The board may enforce the lien in the same manner that the  
24 board may enforce an ad valorem tax lien against real property.

25 (d) The board may correct, add to, or delete assessments  
26 from its assessment rolls after notice and hearing as provided by  
27 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,

1 Secs. 376.461 (part), 376.471, as added Acts 77th Leg., R.S., Ch.  
2 1476.)

3 Sec. 3815.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
4 ASSESSMENTS. (a) The district may not impose a tax, impact fee,  
5 or assessment on a residential property or condominium.

6 (b) The district may not impose an impact fee or assessment  
7 on the property, equipment, or facilities of a person who provides  
8 to the public cable television, gas, light, power, telephone,  
9 sewage, or water service. (Loc. Gov. Code, Sec. 376.472, as added  
10 Acts 77th Leg., R.S., Ch. 1476.)

11 Sec. 3815.158. OBLIGATIONS; APPROVAL BY CITY OF  
12 HOUSTON. (a) The district may issue bonds or other obligations  
13 payable in whole or in part from ad valorem taxes, assessments,  
14 impact fees, revenue, grants, or other money of the district, or any  
15 combination of those sources of money, to pay for any authorized  
16 purpose of the district.

17 (b) In exercising the district's borrowing power, the  
18 district may issue a bond or other obligation in the form of a bond,  
19 note, certificate of participation or other instrument evidencing a  
20 proportionate interest in payments to be made by the district, or  
21 other type of obligation.

22 (c) Except as provided by Subsection (d), the district must  
23 obtain the approval of the City of Houston:

24 (1) for the issuance of a bond for each improvement  
25 project;

26 (2) of the plans and specifications of the improvement  
27 project to be financed by the bond; and

(3) of the plans and specifications of a district improvement project related to:

(A) the use of land owned by the City of Houston;

(B) an easement granted by the City of Houston;

or

(C) a right-of-way of a street, road, or highway.

(d) If the district obtains the approval of the City of Houston of a capital improvements budget for a specified period not to exceed five years, the district may finance the capital improvements and issue bonds specified in the budget without further approval from the City of Houston. (Loc. Gov. Code, Secs. 376.470(a), (b) (part), (c), (d), as added Acts 77th Leg., R.S., Ch. 1476.)

Sec. 3815.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In addition to the elections required under Subchapter L, Chapter 375, Local Government Code, the district must hold an election in the manner provided by that subchapter to obtain voter approval before the district may:

(1) impose a maintenance tax; or

(2) issue a bond payable from ad valorem taxes or assessments.

(b) The board may submit multiple purposes in a single proposition at an election. (Loc. Gov. Code, Sec. 376.473, as added Acts 77th Leg., R.S., Ch. 1476.)

[Sections 3815.160-3815.200 reserved for expansion]

#### SUBCHAPTER E. DISSOLUTION

Sec. 3815.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

1 DEBT. If the district has debt when it is dissolved, the district  
2 shall remain in existence solely for the purpose of discharging its  
3 bonds or other obligations according to their terms. (Loc. Gov.  
4 Code, Sec. 376.476 (part), as added Acts 77th Leg., R.S., Ch.  
5 1476.)

6 CHAPTER 3816. FRISCO SQUARE MANAGEMENT DISTRICT

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 3816.001. DEFINITIONS

9 Sec. 3816.002. FRISCO SQUARE MANAGEMENT DISTRICT

10 Sec. 3816.003. PURPOSE; DECLARATION OF INTENT

11 Sec. 3816.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

12 Sec. 3816.005. DISTRICT TERRITORY

13 Sec. 3816.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE

14 ZONES

15 Sec. 3816.007. APPLICABILITY OF OTHER LAW

16 Sec. 3816.008. RELATION TO OTHER LAW

17 Sec. 3816.009. LIBERAL CONSTRUCTION OF CHAPTER

18 [Sections 3816.010-3816.050 reserved for expansion]

19 SUBCHAPTER B. BOARD OF DIRECTORS

20 Sec. 3816.051. BOARD OF DIRECTORS

21 Sec. 3816.052. APPOINTED DIRECTORS

22 Sec. 3816.053. EX OFFICIO DIRECTORS

23 Sec. 3816.054. CONFLICTS OF INTEREST

24 [Sections 3816.055-3816.100 reserved for expansion]

25 SUBCHAPTER C. POWERS AND DUTIES

26 Sec. 3816.101. DISTRICT POWERS

27 Sec. 3816.102. NONPROFIT CORPORATION



1    Sec. 3816.103.    AGREEMENTS; GRANTS; DONATIONS  
2    Sec. 3816.104.    AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT  
3    Sec. 3816.105.    COMPETITIVE BIDDING  
4    Sec. 3816.106.    APPROVAL OF CERTAIN IMPROVEMENT PROJECTS  
5    Sec. 3816.107.    ANNEXATION  
6                    [Sections 3816.108-3816.150 reserved for expansion]  
7                    SUBCHAPTER D.   FINANCIAL PROVISIONS  
8    Sec. 3816.151.    PETITION REQUIRED FOR FINANCING SERVICES  
9                    AND IMPROVEMENTS  
10   Sec. 3816.152.    DISBURSEMENTS AND TRANSFERS OF MONEY  
11   Sec. 3816.153.    AUTHORITY TO IMPOSE AD VALOREM TAXES,  
12                    ASSESSMENTS, AND IMPACT FEES  
13   Sec. 3816.154.    MAINTENANCE TAX  
14   Sec. 3816.155.    CONTRACTS SECURED BY AD VALOREM TAXES  
15   Sec. 3816.156.    ASSESSMENTS  
16   Sec. 3816.157.    LIENS FOR ASSESSMENTS  
17   Sec. 3816.158.    UTILITY PROPERTY EXEMPT FROM ASSESSMENTS  
18                    AND IMPACT FEES  
19   Sec. 3816.159.    ELECTIONS REGARDING TAXES OR BONDS  
20   Sec. 3816.160.    MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
21                    OBLIGATIONS  
22                    [Sections 3816.161-3816.200 reserved for expansion]  
23                    SUBCHAPTER E.   DISSOLUTION  
24   Sec. 3816.201.    DISSOLUTION OF DISTRICT WITH OUTSTANDING  
25                    DEBT  
26                    CHAPTER 3816.   FRISCO SQUARE MANAGEMENT DISTRICT  
27                    SUBCHAPTER A.   GENERAL PROVISIONS

1           Sec. 3816.001. DEFINITIONS. In this subchapter:

2                   (1) "Board" means the board of directors of the  
3 district.

4                   (2) "District" means the Frisco Square Management  
5 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
6 77th Leg., R.S., Ch. 1384.)

7           Sec. 3816.002. FRISCO SQUARE MANAGEMENT DISTRICT. The  
8 Frisco Square Management District is a special district created  
9 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
10 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1384.)

11           Sec. 3816.003. PURPOSE; DECLARATION OF INTENT. (a) The  
12 creation of the district is essential to accomplish the purposes of  
13 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
14 Texas Constitution, and other public purposes stated in this  
15 chapter. By creating the district and in authorizing Collin  
16 County, the City of Frisco, and other political subdivisions to  
17 contract with the district, the legislature has established a  
18 program to accomplish the public purposes set out in Section 52-a,  
19 Article III, Texas Constitution.

20                   (b) The creation of the district is necessary to promote,  
21 develop, encourage, and maintain employment, commerce,  
22 transportation, housing, tourism, recreation, the arts,  
23 entertainment, economic development, safety, and the public  
24 welfare in the City of Frisco's central business area.

25                   (c) This chapter and the creation of the district may not be  
26 interpreted to relieve Collin County or the City of Frisco from  
27 providing the level of services provided as of September 1, 2001, to

1 the area in the district or to release the county or city from the  
2 obligations of each entity to provide services to that area. The  
3 district is created to supplement and not to supplant the city  
4 services provided in the area in the district. (Loc. Gov. Code,  
5 Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
6 1384.)

7 Sec. 3816.004. FINDINGS OF BENEFIT AND PUBLIC  
8 PURPOSE. (a) The district is created to serve a public use and  
9 benefit.

10 (b) All land and other property included in the district  
11 will benefit from the improvements and services to be provided by  
12 the district under powers conferred by Sections 52 and 52-a,  
13 Article III, and Section 59, Article XVI, Texas Constitution, and  
14 other powers granted under this chapter.

15 (c) The creation of the district is in the public interest  
16 and is essential to:

17 (1) further the public purposes of developing and  
18 diversifying the economy of the state;

19 (2) eliminate unemployment and underemployment; and

20 (3) develop or expand transportation and commerce.

21 (d) Each improvement project or service authorized by this  
22 chapter is essential to carry out a public purpose and will benefit:

23 (1) all land and property in the district;

24 (2) the employees, employers, and consumers of the  
25 district; and

26 (3) the public.

27 (e) The district will:

1           (1) promote the health, safety, and general welfare of  
2 residents, employers, employees, visitors, and consumers in the  
3 district, and of the public;

4           (2) provide needed funding for the City of Frisco's  
5 central business area extension to the west to:

6                 (A) preserve, maintain, and enhance the economic  
7 health and vitality of the area as a community and business center;  
8 and

9                 (B) provide a government center for the city;

10          (3) promote the health, safety, and general welfare of  
11 residents, employers, employees, visitors, and consumers in the  
12 district, and of the public by providing, maintaining, and  
13 operating:

14                 (A) attractive, safe, and convenient street and  
15 road improvements;

16                 (B) off-street parking facilities; and

17                 (C) necessary water, sewer, and drainage  
18 facilities to serve the area within the district; and

19          (4) promote the health, safety, welfare, and enjoyment  
20 of the public by providing pedestrian ways, parks, and off-street  
21 parking and by landscaping and developing certain areas in the  
22 district, which are necessary for the restoration, preservation,  
23 and enhancement of scenic and aesthetic beauty.

24          (f) Pedestrian ways along or across a street, at grade or  
25 above or below the surface, and street lighting, street  
26 landscaping, and street art objects are parts of and necessary  
27 components of a street and are considered to be a street or road

1 improvement.

2 (g) The district will not act as the agent or  
3 instrumentality of any private interest even though the district  
4 will benefit many private interests as well as the public. (Loc.  
5 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1384.)

6 Sec. 3816.005. DISTRICT TERRITORY. (a) The district is  
7 composed of the territory described by Section 1, Chapter 1384,  
8 Acts of the 77th Legislature, Regular Session, 2001, enacting  
9 former Section 376.454, Local Government Code, as that territory  
10 may have been modified under:

11 (1) Section 3816.107 or its predecessor statute,  
12 former Section 376.466, Local Government Code, as added by Chapter  
13 1384, Acts of the 77th Legislature, Regular Session, 2001;

14 (2) Subchapter J, Chapter 49, Water Code; or

15 (3) other law.

16 (b) The boundaries and field notes of the district contained  
17 in Section 1, Chapter 1384, Acts of the 77th Legislature, Regular  
18 Session, 2001, enacting former Section 376.454, Local Government  
19 Code, form a closure. A mistake in the field notes or in copying the  
20 field notes in the legislative process does not affect the  
21 district's:

22 (1) organization, existence, or validity;

23 (2) right to issue any type of bond or other obligation  
24 for a purpose for which the district is created or to pay the  
25 principal of and interest on the bond;

26 (3) right to impose or collect an assessment or tax; or

27 (4) legality or operation. (Loc. Gov. Code, Sec.

1 376.455, as added Acts 77th Leg., R.S., Ch. 1384; New.)

2 Sec. 3816.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE  
3 ZONES. (a) All or any part of the area of the district is  
4 eligible, regardless of other statutory criteria, to be included  
5 in:

6 (1) a tax increment reinvestment zone created by the  
7 City of Frisco under Chapter 311, Tax Code; or

8 (2) a tax abatement reinvestment zone created by the  
9 City of Frisco under Chapter 312, Tax Code.

10 (b) All or any part of the area of the district is eligible  
11 to be nominated for inclusion in an enterprise zone by the City of  
12 Frisco under Chapter 2303, Government Code. (Loc. Gov. Code, Sec.  
13 376.463(f), as added Acts 77th Leg., R.S., Ch. 1384.)

14 Sec. 3816.007. APPLICABILITY OF OTHER LAW. Except as  
15 otherwise provided by this chapter, Chapter 375, Local Government  
16 Code, applies to the district, the board, and district employees.  
17 (Loc. Gov. Code, Sec. 376.457(a), as added Acts 77th Leg., R.S., Ch.  
18 1384.)

19 Sec. 3816.008. RELATION TO OTHER LAW. This chapter  
20 prevails over a law to which this chapter refers that is in conflict  
21 with or is inconsistent with this chapter. (Loc. Gov. Code, Sec.  
22 376.457(b) (part), as added Acts 77th Leg., R.S., Ch. 1384.)

23 Sec. 3816.009. LIBERAL CONSTRUCTION OF CHAPTER. This  
24 chapter shall be liberally construed in conformity with the  
25 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
26 376.458, as added Acts 77th Leg., R.S., Ch. 1384.)

27 [Sections 3816.010-3816.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3816.051. BOARD OF DIRECTORS. The district is governed by a board of five directors appointed under Section 3816.052 and three directors serving ex officio under Section 3816.053. (Loc. Gov. Code, Sec. 376.459(a) (part), as added Acts 77th Leg., R.S., Ch. 1384.)

Sec. 3816.052. APPOINTED DIRECTORS. (a) The governing body of the City of Frisco shall appoint directors who meet the qualifications of Subchapter D, Chapter 375, Local Government Code.

(b) The appointed directors serve staggered terms of four years, with two directors' terms expiring July 1 of an odd-numbered year and three directors' terms expiring July 1 of the following odd-numbered year.

(c) Notwithstanding the common law doctrine of incompatibility, members of the governing body of the City of Frisco may be appointed to the board. The term of a director who is also a member of the governing body of the City of Frisco expires when the member's term on the governing body expires. The person may be reappointed to the board to complete the unexpired term on the board.

(d) A person may not be appointed to the board if the appointment of that person would result in fewer than three of the directors residing in the City of Frisco.

(e) The governing body of the City of Frisco shall appoint a director to fill a vacancy that occurs on the board.

(f) District directors are public officials entitled to governmental immunity for their official actions. (Loc. Gov. Code,

1 Secs. 376.459(a) (part), 376.460(a), (b), (c), (d), as added Acts  
2 77th Leg., R.S., Ch. 1384.)

3 Sec. 3816.053. EX OFFICIO DIRECTORS. (a) The following  
4 persons serve as nonvoting ex officio directors:

5 (1) the manager of the City of Frisco;

6 (2) the financial director of the City of Frisco; and

7 (3) the planning director of the City of Frisco.

8 (b) If an office described by Subsection (a) is renamed,  
9 changed, or abolished, the governing body of the City of Frisco may  
10 appoint another city officer or employee who performs duties  
11 comparable to those performed by the officer described by  
12 Subsection (a). (Loc. Gov. Code, Sec. 376.461, as added Acts 77th  
13 Leg., R.S., Ch. 1384.)

14 Sec. 3816.054. CONFLICTS OF INTEREST. (a) Except as  
15 provided by Section 3816.053 or this section:

16 (1) a director may participate in all board votes and  
17 decisions; and

18 (2) Chapter 171, Local Government Code, governs  
19 conflicts of interest of board members.

20 (b) Section 171.004, Local Government Code, does not apply  
21 to the district. A director who has a substantial interest in a  
22 business or charitable entity that will receive a pecuniary benefit  
23 from a board action shall file an affidavit with the board secretary  
24 declaring the interest. Another affidavit is not required if the  
25 director's interest changes.

26 (c) After the affidavit is filed, the director may  
27 participate in a discussion or vote on that action if:



1           (1) a majority of the directors have a similar  
2 interest in the same entity;

3           (2) all other similar business or charitable entities  
4 in the district will receive a similar pecuniary benefit; or

5           (3) the director is a property owner in the district.

6           (d) A director who is also an officer or employee of a public  
7 entity may not participate in a discussion of or vote on a matter  
8 regarding a contract with that same public entity.

9           (e) For purposes of this section, a director has a  
10 substantial interest in a charitable entity in the same manner that  
11 a person would have a substantial interest in a business entity  
12 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
13 Sec. 376.462, as added Acts 77th Leg., R.S., Ch. 1384.)

14           [Sections 3816.055-3816.100 reserved for expansion]

15                       SUBCHAPTER C. POWERS AND DUTIES

16           Sec. 3816.101. DISTRICT POWERS. (a) The district has all  
17 powers necessary to accomplish the purposes for which the district  
18 was created.

19           (b) The district may exercise the powers given to:

20           (1) a corporation created under Section 4B,  
21 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
22 Civil Statutes); or

23           (2) a housing finance corporation created under  
24 Chapter 394, Local Government Code, to provide housing or  
25 residential development projects in the district. (Loc. Gov. Code,  
26 Secs. 376.463(a), (b), (c), as added Acts 77th Leg., R.S., Ch.  
27 1384.)

1           Sec. 3816.102. NONPROFIT CORPORATION. (a) The board by  
2 resolution may authorize the creation of a nonprofit corporation to  
3 assist and act for the district in implementing a project or  
4 providing a service authorized by this chapter.

5           (b) The nonprofit corporation:

6                 (1) has each power of and is considered for purposes of  
7 this chapter to be a local government corporation created under  
8 Chapter 431, Transportation Code; and

9                 (2) may implement any project and provide any service  
10 authorized by this chapter.

11           (c) The board shall appoint the board of directors of the  
12 nonprofit corporation. The board of directors of the nonprofit  
13 corporation shall serve in the same manner as, for the same term as,  
14 and on the conditions of the board of directors of a local  
15 government corporation created under Chapter 431, Transportation  
16 Code. (Loc. Gov. Code, Sec. 376.465, as added Acts 77th Leg., R.S.,  
17 Ch. 1384.)

18           Sec. 3816.103. AGREEMENTS; GRANTS; DONATIONS. (a) The  
19 district may enter into an agreement with or accept a donation,  
20 grant, or loan from any person.

21           (b) A municipality, county, or other political subdivision  
22 of this state, without further authorization, may contract with the  
23 district for:

24                 (1) the acquisition, construction, improvement,  
25 implementation, maintenance, and operation of a district project;  
26 or

27                 (2) the provision of a service authorized under this

1 chapter.

2 (c) A contract under Subsection (b) may:

3 (1) be for a period and include terms on which the  
4 parties agree;

5 (2) be payable from taxes or any other source of  
6 revenue that may be available for that purpose; and

7 (3) provide terms under which taxes or other revenues  
8 collected at a district project or from a person using or purchasing  
9 a commodity or service at a district project may be paid or rebated  
10 to the district.

11 (d) The implementation of a project is a governmental  
12 function or service for the purposes of Chapter 791, Government  
13 Code. (Loc. Gov. Code, Secs. 376.464(a), (b), (c), as added Acts  
14 77th Leg., R.S., Ch. 1384.)

15 Sec. 3816.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
16 To protect the public interest, the district may contract with the  
17 City of Frisco for the city to provide law enforcement services in  
18 the district for a fee. (Loc. Gov. Code, Sec. 376.464(d), as added  
19 Acts 77th Leg., R.S., Ch. 1384.)

20 Sec. 3816.105. COMPETITIVE BIDDING. Section 375.221, Local  
21 Government Code, does not apply to a district contract for \$25,000  
22 or less. (Loc. Gov. Code, Sec. 376.475, as added Acts 77th Leg.,  
23 R.S., Ch. 1384.)

24 Sec. 3816.106. APPROVAL OF CERTAIN IMPROVEMENT  
25 PROJECTS. (a) Except as provided by Subsection (b), the district  
26 must obtain the approval of the City of Frisco's governing body:

27 (1) for the issuance of a bond for each improvement

1 project;

2 (2) of the plans and specifications of an improvement  
3 project financed by the bond; and

4 (3) of the plans and specifications of a district  
5 improvement project related to the use of land owned by the City of  
6 Frisco, an easement granted by the City of Frisco, or a right-of-way  
7 of a street, road, or highway.

8 (b) If the district obtains the approval of the City of  
9 Frisco's governing body of a capital improvements budget for a  
10 period not to exceed five years, the district may finance the  
11 capital improvements and issue bonds specified in the budget  
12 without the further approval of the city. (Loc. Gov. Code, Secs.  
13 376.473(a), (b), (c), as added Acts 77th Leg., R.S., Ch. 1384.)

14 Sec. 3816.107. ANNEXATION. In addition to the authority to  
15 annex territory under Subchapter C, Chapter 375, Local Government  
16 Code, the district has the authority to annex territory located in a  
17 reinvestment zone created by the City of Frisco under Chapter 311,  
18 Tax Code, if the city's governing body consents to the annexation.  
19 (Loc. Gov. Code, Sec. 376.466, as added Acts 77th Leg., R.S., Ch.  
20 1384.)

21 [Sections 3816.108-3816.150 reserved for expansion]

22 SUBCHAPTER D. FINANCIAL PROVISIONS

23 Sec. 3816.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
24 IMPROVEMENTS. (a) The board may not finance a service or an  
25 improvement project under this chapter unless a written petition  
26 requesting that service or improvement is filed with the board.

27 (b) The petition must be signed by:

1           (1) the owners of a majority of the assessed value of  
2 real property in the district according to the most recent  
3 certified tax appraisal roll for Collin County; or

4           (2) at least 25 owners of land in the district, if more  
5 than 25 persons own property in the district according to the most  
6 recent certified property tax appraisal roll for Collin County.  
7 (Loc. Gov. Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch.  
8 1384.)

9           Sec. 3816.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
10 board by resolution shall establish the number of directors'  
11 signatures and the procedure required for a disbursement or  
12 transfer of the district's money. (Loc. Gov. Code, Sec. 376.474, as  
13 added Acts 77th Leg., R.S., Ch. 1384.)

14           Sec. 3816.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
15 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
16 tax, assessment, or impact fee as provided by Chapter 375, Local  
17 Government Code, on all property in the district, including  
18 industrial, commercial, or residential property, and may impose an  
19 assessment on municipal property in the district to:

20           (1) finance or provide an improvement or service for a  
21 project or activity this chapter authorizes the district to  
22 construct, acquire, or improve; or

23           (2) provide or to make a payment under a contract.  
24 (Loc. Gov. Code, Sec. 376.463(d) (part), as added Acts 77th Leg.,  
25 R.S., Ch. 1384.)

26           Sec. 3816.154. MAINTENANCE TAX. (a) If authorized at an  
27 election held in accordance with Section 3816.159, the district may

1 impose an annual ad valorem tax on taxable property in the district  
2 to:

3 (1) maintain and operate the district and the  
4 improvements constructed or acquired by the district; or

5 (2) provide a service.

6 (b) The board shall determine the tax rate. (Loc. Gov.  
7 Code, Sec. 376.469, as added Acts 77th Leg., R.S., Ch. 1384.)

8 Sec. 3816.155. CONTRACTS SECURED BY AD VALOREM TAXES. A  
9 contract for which the payments are secured wholly or partly by ad  
10 valorem taxes may not be executed unless the imposition of the ad  
11 valorem taxes to secure the payment of the contract is approved by a  
12 majority, or a larger percentage if constitutionally required, of  
13 the voters in the district voting at an election held for that  
14 purpose. (Loc. Gov. Code, Sec. 376.463(d) (part), as added Acts  
15 77th Leg., R.S., Ch. 1384.)

16 Sec. 3816.156. ASSESSMENTS. (a) The board by resolution  
17 may impose and collect an assessment for any purpose authorized by  
18 this chapter.

19 (b) The district may impose an assessment against any  
20 property of the City of Frisco in the district. Payment of an  
21 assessment by another exempt jurisdiction must be established by  
22 contract.

23 (c) The board may apportion the cost of an improvement  
24 project or service to be assessed against property in the district  
25 on all property in the district according to a finding of the board  
26 that the improvement project or service benefits all property in  
27 the district.

1           (d) The board may include two or more types of improvements  
2 and services in one assessment proceeding. The board may conduct  
3 separate assessment proceedings as the district undertakes  
4 improvement projects or the provision of services.

5           (e) The board may adjust annual assessments for services in  
6 accordance with an annual budget the board adopts for the provision  
7 of those services. An annual adjustment may not exceed the annual  
8 amount set forth in the original assessment proceedings except  
9 after public notice and hearing on the increase.

10          (f) The board, after notice and hearing as provided by  
11 Subchapter F, Chapter 375, Local Government Code, may:

12               (1) correct, add to, or delete assessments from its  
13 assessment rolls; and

14               (2) collect assessments after making the corrections,  
15 additions, or deletions. (Loc. Gov. Code, Secs. 376.463(e),  
16 376.470, as added Acts 77th Leg., R.S., Ch. 1384.)

17          Sec. 3816.157. LIENS FOR ASSESSMENTS. (a) An assessment,  
18 including an assessment resulting from an addition to or correction  
19 of the assessment roll by the district, a reassessment, penalties  
20 and interest on an assessment or reassessment, an expense of  
21 collection, and reasonable attorney's fees incurred by the  
22 district:

23               (1) are a first and prior lien against the property  
24 assessed;

25               (2) are superior to any other lien or claim other than  
26 a lien or claim for county, school district, or municipal ad valorem  
27 taxes; and

1           (3) are the personal liability of and a charge against  
2 the owners of the property even if the owners are not named in the  
3 assessment proceeding.

4           (b) The lien is effective from the date of the board's  
5 resolution imposing the assessment until the date the assessment is  
6 paid. The board may enforce the lien in the same manner that the  
7 board may enforce an ad valorem tax lien against real property.  
8 (Loc. Gov. Code, Sec. 376.471, as added Acts 77th Leg., R.S., Ch.  
9 1384.)

10          Sec. 3816.158. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS AND  
11 IMPACT FEES. The district may not impose an assessment or impact  
12 fee on the property of a person that provides gas, electricity,  
13 telephone, sewage, or water service to the public. (Loc. Gov. Code,  
14 Secs. 376.453(5), 376.472, as added Acts 77th Leg., R.S., Ch.  
15 1384.)

16          Sec. 3816.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
17 addition to the elections required under Subchapter L, Chapter 375,  
18 Local Government Code, the district must hold an election in the  
19 manner provided by that subchapter to obtain voter approval before  
20 the district may:

21               (1) impose a maintenance tax; or  
22               (2) issue a bond payable from ad valorem taxes or  
23 assessments.

24           (b) The board may include more than one purpose in a single  
25 proposition at an election.

26           (c) If the district obtains the written consent of all  
27 property owners in the district to impose a maintenance tax or issue



bonds payable from ad valorem taxes or assessments, the district is exempt from the election requirement under Subsection (a) and may cancel an election called under Subsection (a). (Loc. Gov. Code, Sec. 376.468, as added Acts 77th Leg., R.S., Ch. 1384.)

Sec. 3816.160. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT OBLIGATIONS. Except as provided by Section 375.263, Local Government Code, a municipality is not required to pay a bond, note, or other obligation of the district. (Loc. Gov. Code, Sec. 376.473(d), as added Acts 77th Leg., R.S., Ch. 1384.)

[Sections 3816.161-3816.200 reserved for expansion]

#### SUBCHAPTER E. DISSOLUTION

Sec. 3816.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBT. (a) The board may dissolve the district regardless of whether the district has debt. Section 375.264, Local Government Code, does not apply to the district.

(b) If the district has debt when it is dissolved, the district shall remain in existence solely for the purpose of discharging its debts. The dissolution is effective when all debts have been discharged. (Loc. Gov. Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 1384.)

### CHAPTER 3817. ALDINE COMMUNITY IMPROVEMENT DISTRICT

#### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3817.001. DEFINITIONS

Sec. 3817.002. ALDINE COMMUNITY IMPROVEMENT DISTRICT

Sec. 3817.003. PURPOSE; DECLARATION OF INTENT

Sec. 3817.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

Sec. 3817.005. DISTRICT TERRITORY

1 Sec. 3817.006. APPLICABILITY OF OTHER LAW

2 Sec. 3817.007. LIBERAL CONSTRUCTION OF CHAPTER

3 [Sections 3817.008-3817.050 reserved for expansion]

4 SUBCHAPTER B. BOARD OF DIRECTORS

5 Sec. 3817.051. BOARD OF DIRECTORS; TERMS

6 Sec. 3817.052. APPOINTMENT AND REMOVAL OF DIRECTORS

7 Sec. 3817.053. QUORUM

8 [Sections 3817.054-3817.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 3817.101. EXERCISE OF POWERS OF DEVELOPMENT

11 CORPORATION

12 Sec. 3817.102. NONPROFIT CORPORATION

13 Sec. 3817.103. CONTRACT WITH POLITICAL SUBDIVISION

14 Sec. 3817.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT

15 Sec. 3817.105. APPROVAL BY CITY OF HOUSTON

16 Sec. 3817.106. ANNEXATION OF CERTAIN TERRITORY BY GOVERNING

17 BODY OF MUNICIPALITY

18 [Sections 3817.107-3817.150 reserved for expansion]

19 SUBCHAPTER D. FINANCIAL PROVISIONS

20 Sec. 3817.151. DISBURSEMENTS AND TRANSFERS OF MONEY

21 Sec. 3817.152. BOARD VOTE REQUIRED TO AUTHORIZE TAXES,

22 ASSESSMENTS, IMPACT FEES, OR BONDS

23 Sec. 3817.153. MAINTENANCE TAX

24 Sec. 3817.154. SALES AND USE TAX

25 Sec. 3817.155. ASSESSMENTS; LIENS FOR ASSESSMENTS

26 Sec. 3817.156. PROPERTY EXEMPT FROM IMPACT FEES

27 AND ASSESSMENTS

1 Sec. 3817.157. ELECTIONS REGARDING TAXES OR BONDS

2 Sec. 3817.158. MUNICIPALITY NOT REQUIRED TO PAY

3 DISTRICT OBLIGATIONS

4 [Sections 3817.159-3817.200 reserved for expansion]

5 SUBCHAPTER E. DISSOLUTION

6 Sec. 3817.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

7 DEBT

8 CHAPTER 3817. ALDINE COMMUNITY IMPROVEMENT DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3817.001. DEFINITIONS. In this chapter:

11 (1) "Board" means the board of directors of the  
12 district.

13 (2) "District" means the Aldine Community Improvement  
14 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
15 77th Leg., R.S., Ch. 1433.)

16 Sec. 3817.002. ALDINE COMMUNITY IMPROVEMENT DISTRICT. The  
17 Aldine Community Improvement District is a special district created  
18 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
19 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1433.)

20 Sec. 3817.003. PURPOSE; DECLARATION OF INTENT. (a) The  
21 creation of the district is essential to accomplish the purposes of  
22 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
23 Texas Constitution, and other public purposes stated in this  
24 chapter.

25 (b) The creation of the district is necessary to promote,  
26 develop, encourage, and maintain employment, commerce,  
27 transportation, housing, tourism, recreation, the arts,

1 entertainment, economic development, safety, and the public  
2 welfare in the Aldine Community area of Harris County.

3 (c) This chapter and the creation of the district may not be  
4 interpreted to relieve Harris County from providing the level of  
5 services provided as of June 17, 2001, to the area in the district  
6 or to release the county from the obligations of the county to  
7 provide services to that area. The district is created to  
8 supplement and not to supplant the county services provided in the  
9 area in the district. (Loc. Gov. Code, Sec. 376.452, as added Acts  
10 77th Leg., R.S., Ch. 1433.)

11 Sec. 3817.004. FINDINGS OF BENEFIT AND PUBLIC  
12 PURPOSE. (a) The district is created to serve a public use and  
13 benefit.

14 (b) All land and other property included in the district  
15 will benefit from the improvements and services to be provided by  
16 the district under powers conferred by Sections 52 and 52-a,  
17 Article III, and Section 59, Article XVI, Texas Constitution, and  
18 other powers granted under this chapter.

19 (c) The creation of the district is in the public interest  
20 and is essential to:

21 (1) further the public purposes of developing and  
22 diversifying the economy of the state;

23 (2) eliminate unemployment and underemployment; and

24 (3) develop or expand transportation and commerce.

25 (d) The district will:

26 (1) promote the health, safety, and general welfare of  
27 residents, employers, potential employees, employees, visitors,

1 and consumers in the district, and of the public;

2 (2) provide needed funding for the Aldine Community  
3 area to preserve, maintain, and enhance the economic health and  
4 vitality of the area as a community and business center; and

5 (3) promote the health, safety, welfare, and enjoyment  
6 of the public by providing pedestrian ways and by landscaping and  
7 developing certain areas in the district, which are necessary for  
8 the restoration, preservation, and enhancement of scenic beauty.

9 (e) Pedestrian ways along or across a street, whether at  
10 grade or above or below the surface, and street lighting, street  
11 landscaping, and street art objects are parts of and necessary  
12 components of a street and are considered to be a street or road  
13 improvement.

14 (f) The district will not act as the agent or  
15 instrumentality of any private interest even though the district  
16 will benefit many private interests as well as the public. (Loc.  
17 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1433.)

18 Sec. 3817.005. DISTRICT TERRITORY. (a) The district is  
19 composed of the territory described by Section 1, Chapter 1433,  
20 Acts of the 77th Legislature, Regular Session, 2001, enacting  
21 former Section 376.454, Local Government Code, as that territory  
22 may have been modified under:

23 (1) Section 3817.106 or its predecessor statute,  
24 former Section 376.476, Local Government Code, as added by Section  
25 1, Chapter 1433, Acts of the 77th Legislature, Regular Session,  
26 2001;

27 (2) Subchapter J, Chapter 49, Water Code; or

1           (3) other law.

2           (b) The boundaries and field notes of the district contained  
3 in Section 1, Chapter 1433, Acts of the 77th Legislature, Regular  
4 Session, 2001, enacting former Section 376.454, Local Government  
5 Code, form a closure. A mistake in the field notes or in copying the  
6 field notes in the legislative process does not in any way affect  
7 the district's:

8           (1) organization, existence, or validity;

9           (2) right to issue any type of bond for a purpose for  
10 which the district is created or to pay the principal of and  
11 interest on the bond;

12           (3) right to impose or collect an assessment or tax; or

13           (4) legality or operation. (Loc. Gov. Code, Sec.  
14 376.455, as added Acts 77th Leg., R.S., Ch. 1433; New.)

15       Sec. 3817.006. APPLICABILITY OF OTHER LAW. Except as  
16 otherwise provided by this chapter, Chapter 375, Local Government  
17 Code, applies to the district. (Loc. Gov. Code, Sec. 376.457, as  
18 added Acts 77th Leg., R.S., Ch. 1433.)

19       Sec. 3817.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
20 chapter shall be liberally construed in conformity with the  
21 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
22 376.458, as added Acts 77th Leg., R.S., Ch. 1433.)

23       [Sections 3817.008-3817.050 reserved for expansion]

24                       SUBCHAPTER B. BOARD OF DIRECTORS

25       Sec. 3817.051. BOARD OF DIRECTORS; TERMS. (a) The  
26 district is governed by a board of nine directors who serve  
27 staggered terms of four years with four or five directors' terms

1 expiring June 1 of each odd-numbered year.

2 (b) One director must be a resident of the district.

3 (c) The board by resolution may change the number of  
4 directors on the board, but only if the board determines that the  
5 change is in the best interest of the district, subject to Section  
6 375.061, Local Government Code. (Loc. Gov. Code, Sec. 376.459, as  
7 added Acts 77th Leg., R.S., Ch. 1433.)

8 Sec. 3817.052. APPOINTMENT AND REMOVAL OF DIRECTORS.  
9 Sections 375.064 and 375.065, Local Government Code, govern the  
10 appointment and removal of directors, except that for purposes of  
11 this chapter references in those sections to the governing body of  
12 the municipality mean the commissioners court of Harris County.  
13 (Loc. Gov. Code, Sec. 376.460, as added Acts 77th Leg., R.S., Ch.  
14 1433.)

15 Sec. 3817.053. QUORUM. (a) Section 375.071, Local  
16 Government Code, does not apply to the district.

17 (b) One-half of the board constitutes a quorum.

18 (c) Except as provided by Section 3817.152, a concurrence of  
19 a majority of a quorum is required for any official district action.  
20 (Loc. Gov. Code, Sec. 376.461, as added Acts 77th Leg., R.S., Ch.  
21 1433.)

22 [Sections 3817.054-3817.100 reserved for expansion]

23 SUBCHAPTER C. POWERS AND DUTIES

24 Sec. 3817.101. EXERCISE OF POWERS OF DEVELOPMENT  
25 CORPORATION. The district may exercise the powers of a corporation  
26 created under Section 4B, Development Corporation Act of 1979  
27 (Article 5190.6, Vernon's Texas Civil Statutes). (Loc. Gov. Code,

1 Sec. 376.463, as added Acts 77th Leg., R.S., Ch. 1433.)

2 Sec. 3817.102. NONPROFIT CORPORATION. (a) The board by  
3 resolution may authorize the creation of a nonprofit corporation to  
4 assist and act for the district in implementing a project or  
5 providing a service authorized by this chapter.

6 (b) The nonprofit corporation:

7 (1) has each power of and is considered for purposes of  
8 this chapter to be a local government corporation created under  
9 Chapter 431, Transportation Code; and

10 (2) may implement any project and provide any service  
11 authorized by this chapter.

12 (c) The board shall appoint the board of directors of the  
13 nonprofit corporation. The board of directors of the nonprofit  
14 corporation shall serve in the same manner as, for the same term as,  
15 and on the same conditions as the board of directors of a local  
16 government corporation created under Chapter 431, Transportation  
17 Code. (Loc. Gov. Code, Sec. 376.466, as added Acts 77th Leg., R.S.,  
18 Ch. 1433.)

19 Sec. 3817.103. CONTRACT WITH POLITICAL SUBDIVISION. Harris  
20 County, the City of Houston, or another political subdivision of  
21 this state, without further authorization, may contract with the  
22 district to implement a project of the district or assist the  
23 district in providing a service authorized under this chapter. A  
24 contract under this section may:

25 (1) be for a period on which the parties agree;

26 (2) include terms on which the parties agree;

27 (3) be payable from taxes or any other source of



1 revenue that may be available for that project or service; and

2 (4) provide terms under which taxes or other revenue  
3 collected at a district project or from a person using or purchasing  
4 a commodity or service at a district project may be paid or rebated  
5 to the district. (Loc. Gov. Code, Sec. 376.465, as added Acts 77th  
6 Leg., R.S., Ch. 1433.)

7 Sec. 3817.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
8 To protect the public interest, the district may contract with  
9 Harris County or the City of Houston for the county or the city to  
10 provide law enforcement services in the district for a fee. (Loc.  
11 Gov. Code, Sec. 376.464, as added Acts 77th Leg., R.S., Ch. 1433.)

12 Sec. 3817.105. APPROVAL BY CITY OF HOUSTON. (a) Except as  
13 provided by Subsection (b), the district must obtain the approval  
14 of the City of Houston's governing body:

15 (1) for the issuance of a bond for each improvement  
16 project;

17 (2) of the plans and specifications of the improvement  
18 project financed by the bond; and

19 (3) of the plans and specifications of any district  
20 improvement project related to the use of land owned by Harris  
21 County, an easement granted by Harris County, or a right-of-way of a  
22 street, road, or highway.

23 (b) If the district obtains the approval of the City of  
24 Houston's governing body of a capital improvements budget for a  
25 period not to exceed five years, the district may finance the  
26 capital improvements and issue bonds specified in the budget  
27 without further approval from the City of Houston. (Loc. Gov. Code,

1 Secs. 376.468(a), (b), (c), as added Acts 77th Leg., R.S., Ch.  
2 1433.)

3 Sec. 3817.106. ANNEXATION OF CERTAIN TERRITORY BY GOVERNING  
4 BODY OF MUNICIPALITY. (a) If territory in the City of Houston's  
5 limit or extraterritorial jurisdiction is included in the district,  
6 the city's governing body may remove that territory from the  
7 district if the district does not have any bonded indebtedness.

8 (b) To remove the territory, the governing body of the City  
9 of Houston must notify the board secretary in writing that the  
10 territory is excluded from the district's territory.

11 (c) If a municipality annexes territory that is in its  
12 extraterritorial jurisdiction and included in the district, the  
13 governing body of the municipality shall notify the board secretary  
14 in writing that the annexed territory is excluded from the  
15 district's territory. (Loc. Gov. Code, Sec. 376.476, as added Acts  
16 77th Leg., R.S., Ch. 1433.)

17 [Sections 3817.107-3817.150 reserved for expansion]

18 SUBCHAPTER D. FINANCIAL PROVISIONS

19 Sec. 3817.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
20 board by resolution shall establish the number of directors'  
21 signatures and the procedure required for a disbursement or  
22 transfer of the district's money. (Loc. Gov. Code, Sec. 376.467, as  
23 added Acts 77th Leg., R.S., Ch. 1433.)

24 Sec. 3817.152. BOARD VOTE REQUIRED TO AUTHORIZE TAXES,  
25 ASSESSMENTS, IMPACT FEES, OR BONDS. (a) A majority vote of the  
26 directors serving is required to authorize the imposition of a tax,  
27 assessment, or impact fee.

1           (b) The written consent of at least two-thirds of the full  
2 membership of the board is required to authorize the issuance of a  
3 bond. (Loc. Gov. Code, Sec. 376.462, as added Acts 77th Leg., R.S.,  
4 Ch. 1433.)

5           Sec. 3817.153. MAINTENANCE TAX. (a) If authorized at an  
6 election held in accordance with Section 3817.157, the district may  
7 impose an annual ad valorem tax on taxable property in the district  
8 to:

- 9                   (1) maintain and operate the district;  
10                   (2) construct or acquire improvements; or  
11                   (3) provide a service.

12           (b) The board shall determine the tax rate. (Loc. Gov.  
13 Code, Sec. 376.471, as added Acts 77th Leg., R.S., Ch. 1433.)

14           Sec. 3817.154. SALES AND USE TAX. (a) The district may  
15 impose a sales and use tax if authorized by a majority of the voters  
16 of the district voting at an election called for that purpose.  
17 Revenue from the tax may be used for any purpose for which ad  
18 valorem tax revenue of the district may be used.

19           (b) The district may not adopt a sales and use tax if as a  
20 result of the adoption of the tax the combined rate of all sales and  
21 use taxes imposed by the district and other political subdivisions  
22 of this state having territory in the district would exceed two  
23 percent at any location in the district.

24           (c) If the voters of the district approve the adoption of  
25 the tax at an election held on the same election date on which  
26 another political subdivision adopts a sales and use tax or  
27 approves an increase in the rate of its sales and use tax and as a

1 result the combined rate of all sales and use taxes imposed by the  
2 district and other political subdivisions of this state having  
3 territory in the district would exceed two percent at any location  
4 in the district, the election to adopt a sales and use tax under  
5 this chapter has no effect. (Loc. Gov. Code, Sec. 376.470, as added  
6 Acts 77th Leg., R.S., Ch. 1433.)

7       Sec. 3817.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
8 The board by resolution may impose and collect an assessment for any  
9 purpose authorized by this chapter.

10       (b) An assessment, a reassessment, or an assessment  
11 resulting from an addition to or correction of the assessment roll  
12 by the district, penalties and interest on an assessment or  
13 reassessment, an expense of collection, and reasonable attorney's  
14 fees incurred by the district:

15           (1) are a first and prior lien against the property  
16 assessed;

17           (2) are superior to any other lien or claim other than  
18 a lien or claim for county, school district, or municipal ad valorem  
19 taxes; and

20           (3) are the personal liability of and a charge against  
21 the owners of the property even if the owners are not named in the  
22 assessment proceedings.

23       (c) The lien is effective from the date of the board's  
24 resolution imposing the assessment until the date the assessment is  
25 paid. The board may enforce the lien in the same manner that the  
26 board may enforce an ad valorem tax lien against real property.  
27 (Loc. Gov. Code, Sec. 376.469, as added Acts 77th Leg., R.S., Ch.

1433.)

Sec. 3817.156. PROPERTY EXEMPT FROM IMPACT FEES AND ASSESSMENTS. (a) In this section:

(1) "Electric utility" and "power generation company" have the meanings assigned by Section 31.002, Utilities Code.

(2) "Gas utility" has the meaning assigned by Sections 101.003 and 121.001, Utilities Code.

(3) "Telecommunications provider" has the meaning assigned by Section 51.002, Utilities Code.

(b) The district may not impose an impact fee or assessment under Chapter 375, Local Government Code, on a residential property, including a multiunit residential property, or a condominium.

(c) The district may not impose an impact fee or assessment on the property of an electric utility, gas utility, power generation company, or telecommunications provider. (Loc. Gov. Code, Sec. 376.473, as added Acts 77th Leg., R.S., Ch. 1433.)

Sec. 3817.157. ELECTIONS REGARDING TAXES OR BONDS. (a) In addition to the elections required under Subchapter L, Chapter 375, Local Government Code, the district must hold an election in the manner provided by that subchapter to obtain voter approval before the district may:

(1) impose a maintenance tax; or

(2) issue a bond payable from ad valorem taxes or assessments.

(b) The board may include more than one purpose in a single proposition at an election. (Loc. Gov. Code, Sec. 376.472, as added

1 Acts 77th Leg., R.S., Ch. 1433.)

2 Sec. 3817.158. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
3 OBLIGATIONS. Except as provided by Section 375.263, Local  
4 Government Code, a municipality is not required to pay a bond, note,  
5 or other obligation of the district. (Loc. Gov. Code, Sec.  
6 376.468(d), as added Acts 77th Leg., R.S., Ch. 1433.)

7 [Sections 3817.159-3817.200 reserved for expansion]

8 SUBCHAPTER E. DISSOLUTION

9 Sec. 3817.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
10 DEBT. (a) The board may dissolve the district regardless of  
11 whether the district has debt. Section 375.264, Local Government  
12 Code, does not apply to the district.

13 (b) If the district has debt when it is dissolved, the  
14 district shall remain in existence solely for the purpose of  
15 discharging its debts. The dissolution is effective when all debts  
16 have been discharged. (Loc. Gov. Code, Sec. 376.475, as added Acts  
17 77th Leg., R.S., Ch. 1433.)

18 [Chapters 3818-5000 reserved for expansion]

19 TITLE 5. TRANSPORTATION

20 SUBTITLE A. NAVIGATION DISTRICTS AND PORT AUTHORITIES

21 CHAPTER 5001. ARANSAS COUNTY NAVIGATION DISTRICT NO. 1

22 SUBCHAPTER A. GENERAL PROVISIONS

23 Sec. 5001.001. DEFINITION

24 Sec. 5001.002. NATURE OF DISTRICT

25 Sec. 5001.003. DISTRICT TERRITORY

26 Sec. 5001.004. GOVERNANCE OF DISTRICT

27 [Sections 5001.005-5001.050 reserved for expansion]

SUBCHAPTER B. DISTRICT PROMOTION AND DEVELOPMENT FUND

Sec. 5001.051. DEFINITIONS

Sec. 5001.052. AUTHORITY TO CREATE FUND

Sec. 5001.053. LIMITATION ON DEPOSITS TO FUND

Sec. 5001.054. SEPARATE FUND

Sec. 5001.055. AUTHORIZED EXPENDITURES OF MONEY IN FUND

Sec. 5001.056. CONTROL OVER FUND AND EXPENDITURES

Sec. 5001.057. DUTIES OF COUNTY AUDITOR IN RELATION

TO FUND

Sec. 5001.058. EFFECT OF FUND ON OTHER EXPENDITURES

CHAPTER 5001. ARANSAS COUNTY NAVIGATION DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 5001.001. DEFINITION. In this chapter, "district" means the Aransas County Navigation District No. 1. (New.)

Sec. 5001.002. NATURE OF DISTRICT. The district is a navigation district operating under Section 59, Article XVI, Texas Constitution. (Acts 51st Leg., R.S., Ch. 213, Sec. 1 (part).)

Sec. 5001.003. DISTRICT TERRITORY. The district is composed of all the territory in Aransas County, unless the district territory is modified under:

(1) Section 3 or 3a, Chapter 103, Acts of the 41st Legislature, 1st Called Session, 1929 (Article 8263a, Vernon's Texas Civil Statutes), after May 14, 1949, and before August 30, 1971;

(2) Subchapter H, Chapter 62, Water Code; or

(3) other law. (Acts 51st Leg., R.S., Ch. 213, Sec. 1 (part); New.)

1           Sec. 5001.004. GOVERNANCE OF DISTRICT. The district is  
2 governed by Chapter 62, Water Code, and all statutes relating to a  
3 navigation district created under that chapter. (Acts 51st Leg.,  
4 R.S., Ch. 213, Sec. 1 (part).)

5           [Sections 5001.005-5001.050 reserved for expansion]

6           SUBCHAPTER B. DISTRICT PROMOTION AND DEVELOPMENT FUND

7           Sec. 5001.051. DEFINITIONS. In this subchapter:

8                 (1) "Commission" means the navigation and canal  
9 commission of the district.

10                (2) "Fund" means a promotion and development fund  
11 created by the district. (New.)

12           Sec. 5001.052. AUTHORITY TO CREATE FUND. The district may  
13 create a promotion and development fund. (Acts 51st Leg., R.S., Ch.  
14 213, Sec. 4A (part).)

15           Sec. 5001.053. LIMITATION ON DEPOSITS TO FUND. The  
16 district may deposit to the credit of the fund not more than five  
17 percent of its gross income from operations in a calendar year.  
18 (Acts 51st Leg., R.S., Ch. 213, Sec. 4A (part).)

19           Sec. 5001.054. SEPARATE FUND. (a) Money in the promotion  
20 and development fund shall be kept separate from all other funds and  
21 accounts of the district.

22                (b) Money derived from the imposition of taxes may not be  
23 deposited to the credit of the fund. (Acts 51st Leg., R.S., Ch.  
24 213, Sec. 4C(a).)

25           Sec. 5001.055. AUTHORIZED EXPENDITURES OF MONEY IN FUND.  
26 Money in the fund may be spent by the commission, or as the  
27 commission may direct, to pay any expense connected with:



1           (1) an activity or matter incidental to the  
2 advertising, development, or promotion of the district or a port,  
3 waterway, harbor, or terminal of the district;

4           (2) the furtherance of the general welfare of the  
5 district or a facility of the district; or

6           (3) the improvement of the district's relations with a  
7 steamship or rail line, a shipper, a consignee of freight, a  
8 government official, or another person interested or thought to be  
9 interested in a port, waterway, harbor, or terminal of the  
10 district. (Acts 51st Leg., R.S., Ch. 213, Sec. 4B.)

11           Sec. 5001.056. CONTROL OVER FUND AND EXPENDITURES. The  
12 commission:

13           (1) has exclusive control over the fund; and

14           (2) is fully responsible for auditing, approving, and  
15 safeguarding each expenditure of money from the fund. (Acts 51st  
16 Leg., R.S., Ch. 213, Sec. 4C(b).)

17           Sec. 5001.057. DUTIES OF COUNTY AUDITOR IN RELATION TO  
18 FUND. (a) The county auditor shall exercise the auditor's usual  
19 supervision and control to ensure that the commission complies with  
20 Section 5001.053.

21           (b) The county auditor may not audit expenditures from the  
22 fund but is entitled to receive a monthly statement that shows with  
23 respect to each expenditure:

24           (1) the date of the expenditure;

25           (2) the amount of the expenditure;

26           (3) the person or entity who received the expenditure;

27 and

(4) the general purpose of the expenditure. (Acts  
51st Leg., R.S., Ch. 213, Sec. 4C(c).)

Sec. 5001.058. EFFECT OF FUND ON OTHER EXPENDITURES. The  
creation of the fund or an expenditure of money from the fund does  
not affect the payment of any expense that is customarily approved,  
audited, or paid out of the regular funds of the district. (Acts  
51st Leg., R.S., Ch. 213, Sec. 4D (part).)

[Chapters 5002-5200 reserved for expansion]

SUBTITLE B. ROAD AND ROAD UTILITY DISTRICTS

[Chapters 5201-6600 reserved for expansion]

TITLE 6. WATER AND WASTEWATER

SUBTITLE A. DRAINAGE DISTRICTS

CHAPTER 6601. ANGLETON DRAINAGE DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 6601.001. DEFINITIONS

Sec. 6601.002. NATURE OF DISTRICT

Sec. 6601.003. LEGISLATIVE FINDINGS

Sec. 6601.004. DISTRICT TERRITORY

[Sections 6601.005-6601.050 reserved for expansion]

SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

Sec. 6601.051. BOARD OF DIRECTORS

Sec. 6601.052. BALLOT APPLICATION DEADLINE

Sec. 6601.053. QUALIFICATIONS

Sec. 6601.054. MEETINGS

Sec. 6601.055. ADDITIONAL DIRECTORS

Sec. 6601.056. SPECIAL ELECTION

[Sections 6601.057-6601.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 6601.101. POWERS AND DUTIES

Sec. 6601.102. DISTRICT POWERS

Sec. 6601.103. EMINENT DOMAIN

Sec. 6601.104. COST OF RELOCATING PROPERTY

Sec. 6601.105. ADDITION OF TERRITORY TO DISTRICT

Sec. 6601.106. MOSQUITO HAZARD

Sec. 6601.107. AWARD OF CONTRACTS

[Sections 6601.108-6601.150 reserved for expansion]

SUBCHAPTER D. BONDS AND TAXES

Sec. 6601.151. LIMITATION ON DEBT

Sec. 6601.152. APPROVAL BY TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

Sec. 6601.153. CONTINUATION OF PREVIOUS MAINTENANCE TAX

Sec. 6601.154. DISTRICT TAX ASSESSOR AND COLLECTOR

CHAPTER 6601. ANGLETON DRAINAGE DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 6601.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "Director" means a member of the board.

(3) "District" means the Angleton Drainage District.

(New.)

Sec. 6601.002. NATURE OF DISTRICT. (a) The Angleton Drainage District is a conservation and reclamation district re-created under Section 59, Article XVI, Texas Constitution, for the reclamation and drainage of the district's overflowed lands and

1 other lands needing drainage.

2 (b) The district is a municipal corporation. (Acts 57th  
3 Leg., 3rd C.S., Ch. 43, Secs. 1 (part), 2 (part), 12 (part).)

4 Sec. 6601.003. LEGISLATIVE FINDINGS. The legislature finds  
5 that:

6 (1) all land and other property included in the  
7 district is, and will be, benefited by the district and by the  
8 improvements the district will purchase, construct, or otherwise  
9 acquire;

10 (2) the district is created to serve a public use and  
11 benefit; and

12 (3) the district is essential to accomplish the  
13 purposes of Section 59, Article XVI, Texas Constitution. (Acts  
14 57th Leg., 3rd C.S., Ch. 43, Secs. 10, 12 (part).)

15 Sec. 6601.004. DISTRICT TERRITORY. The district is  
16 composed of the territory described by Section 1, Chapter 9,  
17 Special Laws, Acts of the 41st Legislature, 4th Called Session,  
18 1930, as referenced by Section 1, Chapter 43, Acts of the 57th  
19 Legislature, 3rd Called Session, 1962, as that territory may have  
20 been modified under:

21 (1) Section 6601.105 or its predecessor statute,  
22 Section 11, Chapter 43, Acts of the 57th Legislature, 3rd Called  
23 Session, 1962;

24 (2) Chapter 4, Title 128, Revised Statutes, before  
25 August 30, 1971;

26 (3) Subchapter G, Chapter 53, Water Code, before  
27 September 1, 1995;

1           (4) Subchapter J, Chapter 49, Water Code; or  
2           (5) other law. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec.  
3 1 (part); New.)

4           [Sections 6601.005-6601.050 reserved for expansion]

5           SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

6           Sec. 6601.051. BOARD OF DIRECTORS. The board consists of  
7 three directors. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 3 (part).)

8           Sec. 6601.052. BALLOT APPLICATION DEADLINE. An application  
9 for a place on the ballot for a directors election must be filed  
10 with the secretary of the district not later than the 30th day  
11 before the date of the election. (Acts 57th Leg., 3rd C.S., Ch. 43,  
12 Sec. 3 (part).)

13          Sec. 6601.053. QUALIFICATIONS. A candidate for director  
14 must:

15           (1) be more than 21 years of age; and

16           (2) own land subject to taxation in the district.  
17 (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 3 (part).)

18          Sec. 6601.054. MEETINGS. The board shall meet at:

19           (1) the Angleton City Hall at 7:30 p.m. on the first  
20 Tuesday in February, May, August, and November of each year; or

21           (2) other times and places as decided by the board.  
22 (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 3 (part).)

23          Sec. 6601.055. ADDITIONAL DIRECTORS. (a) If territory is  
24 added to the district and the board considers it advisable, the size  
25 of the board may be increased to not more than five directors.

26           (b) If the size of the board is increased, the board shall  
27 appoint the appropriate number of qualified persons to serve as

1 directors until successor directors are elected at the next regular  
2 election of directors. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 4.)

3 Sec. 6601.056. SPECIAL ELECTION. (a) If the number of  
4 directors is reduced to one, the remaining director shall call a  
5 special election to fill the vacancies. If the remaining director  
6 fails to call the special election before the 16th day after the  
7 date the vacancies occur, the county judge of Brazoria County may  
8 order a special election on petition of any resident of the  
9 district.

10 (b) The election shall be conducted and notice shall be  
11 given in the manner provided by Section 49.106, Water Code, for bond  
12 elections of the district. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec.  
13 3 (part).)

14 [Sections 6601.057-6601.100 reserved for expansion]

15 SUBCHAPTER C. POWERS AND DUTIES

16 Sec. 6601.101. POWERS AND DUTIES. (a) To accomplish the  
17 purposes of Section 6601.002(a), the district has all the rights,  
18 powers, privileges, and duties conferred and imposed by general law  
19 on fresh water supply districts created under Section 59, Article  
20 XVI, Texas Constitution, including the power to conserve,  
21 transport, and distribute fresh water.

22 (b) This chapter prevails over a general law described by  
23 Subsection (a) that conflicts or is inconsistent with this chapter.  
24 (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 2 (part).)

25 Sec. 6601.102. DISTRICT POWERS. (a) The district may  
26 construct, acquire, improve, enlarge, extend, repair, maintain, or  
27 replace all walls, dams, dikes, levees, embankments, canals,

1 drains, tanks, laterals, and pumps that the board considers  
2 necessary to accomplish district purposes.

3 (b) The district may make, construct, or otherwise acquire  
4 improvements in or outside district boundaries as necessary to  
5 implement the powers granted by this chapter and general law. (Acts  
6 57th Leg., 3rd C.S., Ch. 43, Sec. 2 (part).)

7 Sec. 6601.103. EMINENT DOMAIN. (a) Not by way of  
8 limitation, the district may exercise the right of eminent domain  
9 to acquire the right-of-way over and through private land, except  
10 property used for cemetery purposes, as the board determines  
11 necessary for making the district's canals, drains, ditches,  
12 levees, and other improvements and the necessary outlets for those  
13 improvements. The power of eminent domain is limited to Brazoria  
14 County.

15 (b) Right-of-way in a municipality may not be condemned  
16 without the consent of the governing body of the municipality.

17 (c) The proceedings shall be in the name of the district and  
18 under the direction of its board.

19 (d) An appeal of the findings and damage assessment by the  
20 special commissioners does not suspend the work of the directors in  
21 prosecuting the work in all of its details. (Acts 57th Leg., 3rd  
22 C.S., Ch. 43, Sec. 2 (part).)

23 Sec. 6601.104. COST OF RELOCATING PROPERTY. (a) In this  
24 section, "sole expense" means the actual cost of relocating,  
25 raising, lowering, rerouting, changing the grade of, or altering  
26 the construction of a facility described in Subsection (b) in  
27 providing comparable replacement without enhancement of the

1 facility, after deducting from that cost the net salvage value of  
2 the old facility.

3 (b) If the district, in the exercise of the power of eminent  
4 domain or relocation or another power granted under this chapter,  
5 makes necessary the relocating, raising, rerouting, changing the  
6 grade of, or altering the construction of a highway, a railroad, an  
7 electric transmission line, telephone or telegraph properties and  
8 facilities, or a pipeline, the necessary relocating, raising,  
9 rerouting, changing of grade, or alteration of construction shall  
10 be accomplished at the sole expense of the district. (Acts 57th  
11 Leg., 3rd C.S., Ch. 43, Sec. 2 (part).)

12 Sec. 6601.105. ADDITION OF TERRITORY TO DISTRICT. (a) In  
13 addition to adding territory as provided by Subchapter J, Chapter  
14 49, Water Code, the district may add territory as provided by this  
15 section. Territory added to the district need not be contiguous to  
16 the district.

17 (b) The owner or owners of land may request by petition that  
18 the board include the land in the district.

19 (c) A petition under Subsection (b) must be filed with the  
20 board and describe the land to be added to the district. The  
21 description may be by metes and bounds or by lot and block number.  
22 The petition must be signed and executed in the manner provided by  
23 law for the conveyance of real estate.

24 (d) The board shall hear and consider a petition filed under  
25 this section. The board may add the land to the district if the  
26 board considers the addition to be to the advantage of the district.

27 (e) A petition granted under this section shall be filed and



1 recorded in the deed records of Brazoria County. (Acts 57th Leg.,  
2 3rd C.S., Ch. 43, Sec. 11.)

3 Sec. 6601.106. MOSQUITO HAZARD. (a) The legislature  
4 finds that to properly drain and reclaim overflowed lands and other  
5 lands needing drainage within the district and to restore and  
6 preserve its waters for beneficial use, it is necessary to reduce  
7 and alleviate the mosquito hazard existing in and around the lands  
8 needing drainage.

9 (b) The board may purchase the equipment and supplies  
10 necessary to conduct mosquito control work and may pay for the labor  
11 necessary to operate and maintain the equipment from money  
12 available for that purpose.

13 (c) If the board determines that an election should be held  
14 to impose a tax for mosquito control work, the tax must be:

15 (1) submitted to the voters in a separate proposition  
16 from any bond tax, maintenance tax, or other tax of the district  
17 considered at the same election; and

18 (2) authorized in the manner provided by Section  
19 49.107, Water Code.

20 (d) The board may enter into a contract with a person, firm,  
21 partnership, or corporation as necessary to obtain and provide  
22 mosquito control. All available revenue accruing from the mosquito  
23 control may be used to defray the cost of the control.

24 (e) Section 311.005(2), Government Code (Code Construction  
25 Act), does not apply to this section. (Acts 57th Leg., 3rd C.S.,  
26 Ch. 43, Sec. 8; New.)

27 Sec. 6601.107. AWARD OF CONTRACTS. A contract for the

1 making or construction of a district improvement and all necessary  
2 work related to the improvement shall be awarded to the lowest  
3 responsible bidder in the manner provided by Article 7919, Revised  
4 Statutes, as amended, if the cost exceeds \$2,000. (Acts 57th Leg.,  
5 3rd C.S., Ch. 43, Sec. 2 (part).)

6 [Sections 6601.108-6601.150 reserved for expansion]

7 SUBCHAPTER D. BONDS AND TAXES

8 Sec. 6601.151. LIMITATION ON DEBT. The total principal  
9 amount of bonds that the district may have outstanding at any time  
10 may not exceed 10 percent of the assessed value of all taxable  
11 property in the district according to the most recent certified  
12 appraisal roll of the district. (Acts 57th Leg., 3rd C.S., Ch. 43,  
13 Sec. 2 (part).)

14 Sec. 6601.152. APPROVAL BY TEXAS COMMISSION ON  
15 ENVIRONMENTAL QUALITY. Before the district spends any money  
16 received from the sale of its bonds, the district must submit the  
17 plans and specifications of the proposed improvements to the Texas  
18 Commission on Environmental Quality for approval. If any  
19 substantial changes are made in the plans, the changes must also be  
20 submitted to the commission for approval. (Acts 57th Leg., 3rd  
21 C.S., Ch. 43, Sec. 2 (part).)

22 Sec. 6601.153. CONTINUATION OF PREVIOUS MAINTENANCE TAX.  
23 The district may continue to levy a maintenance tax authorized by  
24 Chapter 9, Special Laws, Acts of the 41st Legislature, 4th Called  
25 Session, 1930. (Acts 57th Leg., 3rd C.S., Ch. 43, Secs. 5 (part), 9  
26 (part).)

27 Sec. 6601.154. DISTRICT TAX ASSESSOR AND COLLECTOR. The

1 assessor and collector of taxes for Brazoria County is the assessor  
2 and collector of taxes for the district. (Acts 57th Leg., 3rd C.S.,  
3 Ch. 43, Sec. 5 (part).)

4 [Chapters 6602-6900 reserved for expansion]

5 SUBTITLE B. FRESH WATER SUPPLY DISTRICTS

6 CHAPTER 6901. BAYVIEW MUNICIPAL UTILITY DISTRICT  
7 OF GALVESTON COUNTY

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 6901.001. DEFINITIONS

10 Sec. 6901.002. NATURE OF DISTRICT

11 Sec. 6901.003. DECLARATION AND FINDINGS

12 Sec. 6901.004. TERRITORY OF DISTRICT

13 [Sections 6901.005-6901.050 reserved for expansion]

14 SUBCHAPTER B. POWERS AND DUTIES

15 Sec. 6901.051. GENERAL POWERS AND DUTIES

16 Sec. 6901.052. RELATION TO OTHER LAW

17 Sec. 6901.053. BOARD OF DIRECTORS

18 Sec. 6901.054. LIMITATION ON USE OF EMINENT DOMAIN

19 Sec. 6901.055. LIMITATION ON LENGTH OF CERTAIN CONTRACTS

20 Sec. 6901.056. INSTALLATION OF STREET LIGHTS

21 Sec. 6901.057. DISTRICT TAX ASSESSOR AND COLLECTOR

22 Sec. 6901.058. ADDITION OF TERRITORY TO DISTRICT

23 Sec. 6901.059. ACQUISITION OF IMPROVEMENTS

24 Sec. 6901.060. COST OF RELOCATING PROPERTY

25 CHAPTER 6901. BAYVIEW MUNICIPAL UTILITY DISTRICT OF  
26 GALVESTON COUNTY

27 SUBCHAPTER A. GENERAL PROVISIONS

1           Sec. 6901.001. DEFINITIONS. In this chapter:

2                   (1) "Board" means the board of directors of the  
3 district.

4                   (2) "District" means the Bayview Municipal Utility  
5 District of Galveston County, Texas. (V.A.C.S. Art. 8280-287, Sec.  
6 1 (part); New.)

7           Sec. 6901.002. NATURE OF DISTRICT. The Bayview Municipal  
8 Utility District of Galveston County is:

9                   (1) a conservation and reclamation district  
10 established under Section 59, Article XVI, Texas Constitution; and

11                   (2) a fresh water supply district. (V.A.C.S.  
12 Art. 8280-287, Secs. 1 (part), 7 (part).)

13           Sec. 6901.003. DECLARATION AND FINDINGS. (a) The  
14 legislature declares that the district is:

15                   (1) essential to the accomplishment of the purposes of  
16 Section 59, Article XVI, Texas Constitution; and

17                   (2) a municipal corporation.

18           (b) The legislature finds that:

19                   (1) the district is created to serve a public use and  
20 benefit; and

21                   (2) all land and other property included in the  
22 district are, and will be, benefited by the creation of the district  
23 and the improvements that the district purchases, constructs, or  
24 otherwise acquires. (V.A.C.S. Art. 8280-287, Secs. 7 (part), 8.)

25           Sec. 6901.004. TERRITORY OF DISTRICT. The district is  
26 composed of the territory described by Section 1, Chapter 245, Acts  
27 of the 58th Legislature, Regular Session, 1963 (V.A.C.S.

Art. 8280-287), as that territory may have been modified under:

(1) Section 6901.058 or its predecessor statute, Section 5, Chapter 245, Acts of the 58th Legislature, Regular Session, 1963 (V.A.C.S. Art. 8280-287);

(2) Chapter 4, Title 128, Revised Statutes, before August 30, 1971;

(3) Subchapter G, Chapter 53, Water Code, before September 1, 1995;

(4) Subchapter J, Chapter 49, Water Code; or

(5) other law. (New.)

[Sections 6901.005-6901.050 reserved for expansion]

#### SUBCHAPTER B. POWERS AND DUTIES

Sec. 6901.051. GENERAL POWERS AND DUTIES. The district has all the rights, powers, privileges, and duties conferred and imposed by a general law of this state on a fresh water supply district created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 53, Water Code. (V.A.C.S. Art. 8280-287, Sec. 2 (part).)

Sec. 6901.052. RELATION TO OTHER LAW. This chapter prevails over a provision of a general law described by Section 6901.051 that conflicts with or is inconsistent with this chapter. (V.A.C.S. Art. 8280-287, Sec. 2 (part).)

Sec. 6901.053. BOARD OF DIRECTORS. The board consists of five directors. (V.A.C.S. Art. 8280-287, Sec. 3 (part).)

Sec. 6901.054. LIMITATION ON USE OF EMINENT DOMAIN. The district may not exercise the power of eminent domain outside the boundaries of the district. (V.A.C.S. Art. 8280-287, Sec. 2

(part).)

Sec. 6901.055. LIMITATION ON LENGTH OF CERTAIN CONTRACTS.

A district contract for the purchase or sale of water may not exceed 40 years. (V.A.C.S. Art. 8280-287, Sec. 2 (part).)

Sec. 6901.056. INSTALLATION OF STREET LIGHTS. (a) After voter approval, the district may:

(1) install, operate, and maintain street lighting within a public utility easement or public right-of-way inside the district's boundaries; and

(2) assess the cost of installing, operating, and maintaining the street lighting as an additional charge in the monthly billings of the district's customers.

(b) This section does not authorize the district to install, operate, or maintain street lighting on a right-of-way that is part of the designated state highway system. (V.A.C.S. Art. 8280-287, Sec. 2A.)

Sec. 6901.057. DISTRICT TAX ASSESSOR AND COLLECTOR. (a) The board shall appoint a tax assessor and collector for the district for a period not to exceed the term of office of the directors making the appointment.

(b) The district's tax assessor and collector is not required to be a resident or voter of the district. (V.A.C.S. Art. 8280-287, Sec. 4 (part).)

Sec. 6901.058. ADDITION OF TERRITORY TO DISTRICT. (a) In addition to the method of adding territory to a district provided by Subchapter J, Chapter 49, Water Code, the district may add territory as provided by this section.

1           (b) The owner or owners of land may request by petition that  
2 the board include the land in the district.

3           (c) A petition under Subsection (b) must be filed with the  
4 board and describe the land to be added to the district. The  
5 description may be by metes and bounds or by lot and block number.  
6 The petition must be signed and executed in the manner provided by  
7 law for the conveyance of real estate.

8           (d) The board shall hear and consider a petition filed under  
9 this section. The board may add the land to the district if the  
10 board considers the addition to be to the advantage of the district.

11           (e) A petition granted under this section shall be filed and  
12 recorded in the deed records of Galveston County. (V.A.C.S.  
13 Art. 8280-287, Sec. 5.)

14           Sec. 6901.059. ACQUISITION OF IMPROVEMENTS. The district  
15 may make, construct, or otherwise acquire improvements inside or  
16 outside the district that are necessary or convenient to execute a  
17 power granted to the district under this chapter or a general law  
18 described in Section 6901.051. (V.A.C.S. Art. 8280-287, Sec. 2  
19 (part).)

20           Sec. 6901.060. COST OF RELOCATING PROPERTY. (a) In this  
21 section "sole expense" means the actual cost of the relocating,  
22 raising, lowering, rerouting, changing the grade of, or altering  
23 the construction of a facility described in Subsection (b) in  
24 providing comparable replacement without enhancement of the  
25 facility, after deducting from that cost the net salvage value of  
26 the old facility.

27           (b) If the district, in the exercise of the power of eminent

1 domain or relocation or another power granted under this chapter,  
2 makes necessary the relocating, raising, rerouting, changing the  
3 grade of, or altering the construction of a highway, a railroad, an  
4 electric transmission line, telephone or telegraph properties and  
5 facilities, or a pipeline, the necessary relocating, raising,  
6 rerouting, changing of grade, or alteration of construction shall  
7 be accomplished at the sole expense of the district. (V.A.C.S.  
8 Art. 8280-287, Sec. 2 (part).)

9 [Chapters 6902-7200 reserved for expansion]

10 SUBTITLE C. SPECIAL UTILITY DISTRICTS

11 [Chapters 7201-7500 reserved for expansion]

12 SUBTITLE D. IRRIGATION DISTRICTS

13 [Chapters 7501-7800 reserved for expansion]

14 SUBTITLE E. LEVEE IMPROVEMENT DISTRICTS

15 CHAPTER 7801. BOIS D'ARC ISLAND LEVEE IMPROVEMENT

16 DISTRICT OF DALLAS AND KAUFMAN COUNTIES

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 7801.001. DEFINITIONS

19 Sec. 7801.002. APPLICABILITY OF OTHER LAW

20 [Sections 7801.003-7801.050 reserved for expansion]

21 SUBCHAPTER B. BOARD OF DIRECTORS AND OFFICERS

22 Sec. 7801.051. BOARD

23 Sec. 7801.052. TREASURER

24 [Sections 7801.053-7801.100 reserved for expansion]

25 SUBCHAPTER C. POWERS AND DUTIES

26 Sec. 7801.101. POWERS AND DUTIES OF BOARD

27 Sec. 7801.102. IMPOSITION OF TAXES



1 Sec. 7801.103. ESTABLISHING MINIMUM BENEFIT BASIS

2 Sec. 7801.104. EXCLUSION OF LAND FROM DISTRICT

3 Sec. 7801.105. CONVEYANCE OF DISTRICT FACILITIES IN AN  
4 EXCLUDED AREA

5 CHAPTER 7801. BOIS D'ARC ISLAND LEVEE IMPROVEMENT

6 DISTRICT OF DALLAS AND KAUFMAN COUNTIES

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 7801.001. DEFINITIONS. In this chapter:

9 (1) "Board" means the board of directors of the  
10 district.

11 (2) "Director" means a member of the board.

12 (3) "District" means the Bois d'Arc Island Levee  
13 Improvement District of Dallas and Kaufman Counties. (Acts 70th  
14 Leg., R.S., Ch. 827, Sec. 2; Acts 72nd Leg., R.S., Ch. 357, Sec. 1.)

15 Sec. 7801.002. APPLICABILITY OF OTHER LAW. Except as  
16 otherwise provided by this chapter, Chapter 57, Water Code, applies  
17 to the district. (Acts 72nd Leg., R.S., Ch. 357, Sec. 5(a) (part).)

18 [Sections 7801.003-7801.050 reserved for expansion]

19 SUBCHAPTER B. BOARD OF DIRECTORS AND OFFICERS

20 Sec. 7801.051. BOARD. (a) The district is governed by a  
21 board of five elected directors.

22 (b) A person must indicate on the application for a place on  
23 the ballot the precinct that the person wants to represent.

24 (c) An election shall be held on the first Saturday in May of  
25 each even-numbered year to elect the appropriate number of  
26 directors. Except as provided by Subsection (d), directors serve  
27 four-year terms.

(d) The board shall revise each precinct after each federal decennial census to reflect population changes. At the first election after the precincts are revised, a new director shall be elected from each precinct. The directors shall draw lots to determine which two directors serve two-year terms and which three directors serve four-year terms. (Acts 72nd Leg., R.S., Ch. 357, Secs. 2(a) (part), (c), (d); 7(a), (c).)

Sec. 7801.052. TREASURER. (a) The board may provide for the appointment of a treasurer for the district.

(b) In addition to the powers and duties provided by other law, the treasurer has the powers and duties of the county treasurer under Chapter 57, Water Code. (Acts 72nd Leg., R.S., Ch. 357, Sec. 3.)

[Sections 7801.053-7801.100 reserved for expansion]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 7801.101. POWERS AND DUTIES OF BOARD. The board has the powers and duties delegated to the commissioners court and county judge under Chapter 57, Water Code. (Acts 72nd Leg., R.S., Ch. 357, Sec. 5(a) (part).)

Sec. 7801.102. IMPOSITION OF TAXES. (a) The Tax Code governs the imposition of district taxes.

(b) The board may provide for the appointment of a tax assessor-collector or may contract for the imposition of taxes with Dallas County or Kaufman County or with another person as provided by the Tax Code. (Acts 70th Leg., R.S., Ch. 827, Sec. 5 (part); Acts 72nd Leg., R.S., Ch. 357, Sec. 4.)

Sec. 7801.103. ESTABLISHING MINIMUM BENEFIT

1 BASIS. (a) If the district levies taxes on the benefit basis, the  
2 board may establish a minimum benefit that will accrue to each piece  
3 of taxable property in the district.

4 (b) The board shall serve as the commissioners of  
5 appraisement. (Acts 70th Leg., R.S., Ch. 827, Sec. 5 (part).)

6 Sec. 7801.104. EXCLUSION OF LAND FROM DISTRICT. If the  
7 district does not have outstanding bonds payable in whole or in part  
8 from taxes, the board may exclude land from the district as provided  
9 by Subchapter J, Chapter 49, Water Code. (Acts 70th Leg., R.S., Ch.  
10 827, Sec. 3.)

11 Sec. 7801.105. CONVEYANCE OF DISTRICT FACILITIES IN AN  
12 EXCLUDED AREA. (a) If the district has facilities located in an  
13 area that is excluded from the district, the board may convey those  
14 facilities to another governmental entity that agrees to assume the  
15 responsibility for flood protection for the excluded area.

16 (b) A conveyance under this section may:

17 (1) be on the terms determined by the board; and

18 (2) include a right-of-way, easement, or fee title to  
19 land on which the facilities are located. (Acts 70th Leg., R.S.,  
20 Ch. 827, Sec. 4.)

21 [Chapters 7802-8100 reserved for expansion]

22 SUBTITLE F. MUNICIPAL UTILITY DISTRICTS

23 CHAPTER 8101. ATHENS MUNICIPAL WATER AUTHORITY

24 SUBCHAPTER A. GENERAL PROVISIONS

25 Sec. 8101.001. DEFINITIONS

26 Sec. 8101.002. NATURE OF AUTHORITY

27 Sec. 8101.003. FINDING OF BENEFIT AND PUBLIC PURPOSE

1   Sec. 8101.004.   LIBERAL CONSTRUCTION OF CHAPTER

2                   [Sections 8101.005-8101.050 reserved for expansion]

3                   SUBCHAPTER B.   DISTRICT TERRITORY AND ANNEXATIONS

4                                   TO DISTRICT TERRITORY

5   Sec. 8101.051.   BOUNDARIES

6   Sec. 8101.052.   ANNEXATIONS OF TERRITORY

7   Sec. 8101.053.   LIMITATION ON ASSUMPTION OF TAX

8                                   OBLIGATIONS

9                   [Sections 8101.054-8101.100 reserved for expansion]

10                                  SUBCHAPTER C.   BOARD OF DIRECTORS

11   Sec. 8101.101.   GENERAL POWERS

12   Sec. 8101.102.   ELIGIBILITY TO SERVE

13   Sec. 8101.103.   DIRECTORS ELECTION

14   Sec. 8101.104.   BALLOT PROCEDURE FOR CANDIDATES

15   Sec. 8101.105.   APPOINTMENT OF SECRETARY AND TREASURER

16   Sec. 8101.106.   VOTE BY BOARD PRESIDENT

17   Sec. 8101.107.   DIRECTOR'S AND TREASURER'S BOND

18   Sec. 8101.108.   COMPENSATION

19                   [Sections 8101.109-8101.150 reserved for expansion]

20                                  SUBCHAPTER D.   POWERS AND DUTIES

21   Sec. 8101.151.   POWERS AND DUTIES

22   Sec. 8101.152.   WATER SUPPLY AND DISTRIBUTION

23   Sec. 8101.153.   WASTE SERVICES

24   Sec. 8101.154.   EMINENT DOMAIN

25   Sec. 8101.155.   COST OF RELOCATING PROPERTY

26   Sec. 8101.156.   CONSTRUCTION OR PURCHASE CONTRACTS

27   Sec. 8101.157.   CONTRACTS WITH MUNICIPALITIES AND OTHERS

[Sections 8101.158-8101.200 reserved for expansion]

SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

Sec. 8101.201. TAX METHOD

Sec. 8101.202. TAX ASSESSOR AND COLLECTOR

Sec. 8101.203. DEPOSITORY

[Sections 8101.204-8101.250 reserved for expansion]

SUBCHAPTER F. BONDS

Sec. 8101.251. AUTHORITY TO ISSUE BONDS

Sec. 8101.252. REFUNDING BONDS

Sec. 8101.253. FORM OF BONDS

Sec. 8101.254. MATURITY

Sec. 8101.255. TRUST INDENTURE

Sec. 8101.256. ELECTION FOR BONDS PAYABLE FROM AD VALOREM

TAXES

Sec. 8101.257. BOND SECURITY; REVENUE; TAXES;

ADDITIONAL BONDS

Sec. 8101.258. ADDITIONAL SECURITY

Sec. 8101.259. CHARGES FOR AUTHORITY SERVICES

Sec. 8101.260. USE OF BOND PROCEEDS

Sec. 8101.261. APPOINTMENT OF RECEIVER

Sec. 8101.262. BONDS SECURED BY CONTRACT PROCEEDS;

APPROVAL

Sec. 8101.263. BONDS EXEMPT FROM TAXATION

Sec. 8101.264. PROPERTY EXEMPT FROM TAXATION AND

ASSESSMENT

CHAPTER 8101. ATHENS MUNICIPAL WATER AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

1           Sec. 8101.001. DEFINITIONS. In this chapter:

2                   (1) "Authority" means the Athens Municipal Water  
3 Authority.

4                   (2) "Board" means the authority's board of directors.  
5 (V.A.C.S. Art. 8280-196, Sec. 1 (part); New.)

6           Sec. 8101.002. NATURE OF AUTHORITY. The authority is a  
7 conservation and reclamation district in Henderson County.  
8 (V.A.C.S. Art. 8280-196, Secs. 1 (part), 2(a) (part).)

9           Sec. 8101.003. FINDING OF BENEFIT AND PUBLIC  
10 PURPOSE. (a) The legislature finds that:

11                   (1) all of the lands and other property included in the  
12 boundaries of the authority will benefit from the improvements and  
13 facilities to be constructed, acquired, or otherwise provided under  
14 this chapter; and

15                   (2) the authority is created to serve a public use and  
16 benefit.

17           (b) The authority is created under and is essential to  
18 accomplish the purposes of Section 59, Article XVI, Texas  
19 Constitution.

20           (c) The accomplishment of the purposes stated in this  
21 chapter are for the benefit of the people of this state and for the  
22 improvement of their properties and industries. The authority in  
23 carrying out the purposes of this chapter will be performing an  
24 essential public function under the constitution of this state.  
25 (V.A.C.S. Art. 8280-196, Secs. 1 (part), 2(a) (part), 12 (part), 14  
26 (part).)

27           Sec. 8101.004. LIBERAL CONSTRUCTION OF CHAPTER. This

chapter shall be liberally construed to effect its purposes.  
(V.A.C.S. Art. 8280-196, Sec. 12 (part).)

[Sections 8101.005-8101.050 reserved for expansion]

SUBCHAPTER B. DISTRICT TERRITORY AND ANNEXATIONS

TO DISTRICT TERRITORY

Sec. 8101.051. BOUNDARIES. (a) The authority is in Henderson County and, unless modified as provided by Section 8101.052 or by Subchapter J, Chapter 49, Water Code, the boundaries of the authority are coextensive with the corporate limits of the city of Athens, Henderson County, Texas, as those corporate limits existed on May 2, 1957.

(b) Territory annexed by the City of Athens after May 2, 1957, does not become a part of the authority solely because of its annexation to the city.

(c) A defect or irregularity in the boundaries of the city of Athens as they existed on May 2, 1957, or in a proceeding related to the territory of or an annexation by the city before that date does not affect the validity of the authority or any of its rights, powers, privileges, or functions. (V.A.C.S. Art. 8280-196, Sec. 2(a) (part).)

Sec. 8101.052. ANNEXATIONS OF TERRITORY. (a) The board, as provided by this section, may annex territory the City of Athens annexes after May 2, 1957. The authority may not annex territory under this section if bonds supported by ad valorem taxes previously voted on remain unissued and unsold.

(b) The board by order may set a date for a hearing on the annexation and hold the hearing on that date.

1 (c) Notice of the hearing must:

2 (1) be posted in three public places in the territory  
3 proposed to be annexed at least 15 days before the date set for the  
4 hearing; and

5 (2) contain a statement of the nature and purpose of  
6 the hearing and the date, time, and place of the hearing.

7 (d) A person whose land is included in or would be affected  
8 by the annexation may:

9 (1) appear at the hearing to contest the annexation;  
10 and

11 (2) offer testimony to show that the annexation would  
12 or would not benefit land proposed to be annexed.

13 (e) The board shall enter a resolution ordering the  
14 annexation and designating the territory if the board finds as a  
15 result of the hearing that the proposed annexation is feasible and  
16 practicable and would benefit the land proposed to be annexed. The  
17 board may designate the territory by reference to the city's  
18 annexation ordinance or in another manner.

19 (f) The board shall refuse the proposed annexation if the  
20 board finds as a result of the hearing that the annexation does not  
21 satisfy the requirements of Subsection (e). (V.A.C.S.  
22 Art. 8280-196, Secs. 2(b), (c) (part).)

23 Sec. 8101.053. LIMITATION ON ASSUMPTION OF TAX  
24 OBLIGATIONS. (a) The authority may not impose on territory the  
25 authority annexes under Section 8101.052 a tax obligation the  
26 authority incurred before annexation unless:

27 (1) the owners of the land annexed provide written



1 consent for the assumption of that tax obligation; or

2 (2) at an election held for that purpose in the  
3 territory, a majority of the voters of the territory approve the  
4 assumption of that tax obligation.

5 (b) The notice provisions of Section 49.106, Water Code,  
6 apply to an election held under this section.

7 (c) The election notice must be published in a newspaper  
8 published in the city of Athens. If a newspaper is not published in  
9 the city of Athens, it is sufficient to post notices at three public  
10 places in that city at least 28 days before the date of the  
11 election. (V.A.C.S. Art. 8280-196, Sec. 2(c) (part).)

12 [Sections 8101.054-8101.100 reserved for expansion]

13 SUBCHAPTER C. BOARD OF DIRECTORS

14 Sec. 8101.101. GENERAL POWERS. The board consists of five  
15 directors. (V.A.C.S. Art. 8280-196, Sec. 3(a) (part).)

16 Sec. 8101.102. ELIGIBILITY TO SERVE. (a) A director must  
17 reside in and own taxable property in the authority.

18 (b) A person may not serve as a director if the person is:

19 (1) a member of a governing body of a municipality; or

20 (2) an employee of a municipality. (V.A.C.S.  
21 Art. 8280-196, Sec. 3(a) (part).)

22 Sec. 8101.103. DIRECTORS ELECTION. (a) The board shall  
23 issue an order for each directors election stating the time, place,  
24 and purpose of the election.

25 (b) Notice of a directors election shall be published in a  
26 newspaper of general circulation in the authority's territory one  
27 time at least 30 days before the date of the election.

1           (c) The appropriate number of candidates who receive the  
2 highest number of votes shall be declared elected. (V.A.C.S.  
3 Art. 8280-196, Sec. 3(c) (part).)

4           Sec. 8101.104. BALLOT PROCEDURE FOR CANDIDATES. (a) A  
5 person who wants to have the person's name printed on the ballot as  
6 a candidate for director must submit a petition to the board  
7 secretary requesting that action.

8           (b) The petition must be:

9               (1) signed by at least 50 qualified voters; and

10              (2) presented to the secretary not later than the 21st  
11 day before the date of the election. (V.A.C.S. Art. 8280-196, Sec.  
12 3(d).)

13           Sec. 8101.105. APPOINTMENT OF SECRETARY AND TREASURER. The  
14 board shall appoint a secretary and a treasurer. The board may  
15 combine those offices. The secretary or treasurer is not required  
16 to be a director. (V.A.C.S. Art. 8280-196, Sec. 3(g) (part).)

17           Sec. 8101.106. VOTE BY BOARD PRESIDENT. The president has  
18 the same right to vote as any other director. (V.A.C.S.  
19 Art. 8280-196, Sec. 3(g) (part).)

20           Sec. 8101.107. DIRECTOR'S AND TREASURER'S BOND. (a) A  
21 director shall give bond in the amount of \$5,000 for the faithful  
22 performance of the director's duties.

23           (b) The treasurer shall give bond in an amount required by  
24 the board, conditioned on the treasurer's faithfully accounting for  
25 all money that comes into the treasurer's custody. (V.A.C.S.  
26 Art. 8280-196, Secs. 3(a) (part), (g) (part).)

27           Sec. 8101.108. COMPENSATION. Unless the board by

1 resolution increases the fee to an amount authorized by Section  
2 49.060, Water Code, each director shall receive a fee not to exceed  
3 \$10 for attending each board meeting and a fee not to exceed \$10 for  
4 each day devoted to authority business. (V.A.C.S. Art. 8280-196,  
5 Sec. 3(f) (part).)

6 [Sections 8101.109-8101.150 reserved for expansion]

7 SUBCHAPTER D. POWERS AND DUTIES

8 Sec. 8101.151. POWERS AND DUTIES. The authority has:

9 (1) all the powers of a governmental agency; and  
10 (2) the rights, powers, privileges, and functions  
11 that:

12 (A) may be contemplated and implied by Section  
13 59, Article XVI, Texas Constitution; or

14 (B) are conferred by the general laws of the  
15 state relating to water control and improvement districts,  
16 including Chapters 49 and 51, Water Code, unless those rights,  
17 powers, privileges, or functions conflict with this chapter.  
18 (V.A.C.S. Art. 8280-196, Secs. 1 (part), 13 (part).)

19 Sec. 8101.152. WATER SUPPLY AND DISTRIBUTION. (a) The  
20 authority may develop, construct, or purchase dams, reservoirs, and  
21 underground or other sources of water.

22 (b) The authority may construct or purchase all works,  
23 plants, and other facilities necessary or useful to:

24 (1) provide a source of water supply;  
25 (2) store and process the water; and  
26 (3) transport and distribute the water for municipal,  
27 domestic, and industrial purposes. (V.A.C.S. Art. 8280-196, Sec. 4

1 (part).)

2       Sec. 8101.153. WASTE SERVICES. To preserve and protect the  
3 purity of the waters of the authority and this state and to conserve  
4 and reclaim those waters for beneficial use by the inhabitants of  
5 the authority, the authority may provide all plants, works,  
6 facilities, and appliances incident to, helpful to, or necessary to  
7 collect, transport, process, dispose of, and control all domestic,  
8 industrial, or communal wastes, whether fluid, solid, or composite.  
9 (V.A.C.S. Art. 8280-196, Sec. 4 (part).)

10       Sec. 8101.154. EMINENT DOMAIN. (a) The authority may  
11 exercise the power of eminent domain to acquire land and easements  
12 to carry out any power conferred by this chapter.

13       (b) The authority must exercise the power of eminent domain  
14 in the manner provided by Chapter 21, Property Code.

15       (c) The board shall determine the amount of and character of  
16 interest in land and easements to be acquired. (V.A.C.S.  
17 Art. 8280-196, Sec. 5 (part).)

18       Sec. 8101.155. COST OF RELOCATING PROPERTY. If the  
19 authority, in the exercise of the power of eminent domain, the power  
20 of relocation, or any other power granted under this chapter, makes  
21 necessary relocating, raising, rerouting, changing the grade of, or  
22 altering the construction of any highway, railroad, electric  
23 transmission line, or pipeline or telephone or telegraph property  
24 or facility, the authority is solely responsible for the expense of  
25 that necessary action. (V.A.C.S. Art. 8280-196, Sec. 5 (part).)

26       Sec. 8101.156. CONSTRUCTION OR PURCHASE  
27 CONTRACTS. (a) Except as provided by Subsection (e), the

1 authority shall award a construction contract or contract for the  
2 purchase of materials, equipment, or supplies requiring an  
3 expenditure of more than \$2,000 to the lowest and best bidder.

4 (b) Notice to bidders must be published once each week for  
5 two weeks before the contract is awarded.

6 (c) The notice is sufficient if it states:

7 (1) the time and place for opening the bids;

8 (2) the general nature of the work to be done or the  
9 material, equipment, or supplies to be purchased; and

10 (3) where and how copies of the plans and  
11 specifications may be obtained.

12 (d) The notice must be printed in a newspaper that is  
13 designated by the board and that is published in Henderson County.

14 (e) This section does not apply to the purchase of a system  
15 or part of a system in existence at the time of the purchase.  
16 (V.A.C.S. Art. 8280-196, Sec. 6.)

17 Sec. 8101.157. CONTRACTS WITH MUNICIPALITIES AND  
18 OTHERS. (a) The authority may contract with municipalities and  
19 others for supplying services to them.

20 (b) The authority may contract with any municipality for the  
21 rental, lease, or operation of the water production, water supply,  
22 and water supply facilities of the authority for the consideration  
23 agreed to by the authority and the municipality.

24 (c) The authority may contract with any municipality for the  
25 rental, lease, or operation of the water production, water supply,  
26 and water supply facilities or sanitary sewer system of the  
27 municipality for the consideration agreed to by the authority and

1 the municipality.

2 (d) A contract under this section:

3 (1) may be on the terms and for the period to which the  
4 parties agree; and

5 (2) may provide that the contract continues in effect  
6 until the bonds specified by the contract and refunding bonds  
7 issued in place of those bonds are paid. (V.A.C.S. Art. 8280-196,  
8 Sec. 9.)

9 [Sections 8101.158-8101.200 reserved for expansion]

10 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

11 Sec. 8101.201. TAX METHOD. The authority shall use the ad  
12 valorem plan of taxation. (V.A.C.S. Art. 8280-196, Sec. 13  
13 (part).)

14 Sec. 8101.202. TAX ASSESSOR AND COLLECTOR. Before issuing  
15 bonds payable wholly or partly from ad valorem taxes or imposing ad  
16 valorem taxes for any other purpose, the board shall:

- 17 (1) appoint a tax assessor and collector;  
18 (2) provide for taxes to be assessed; and  
19 (3) provide for the preparation of tax rolls.  
20 (V.A.C.S. Art. 8280-196, Sec. 8 (part).)

21 Sec. 8101.203. DEPOSITORY. (a) The board shall designate  
22 one or more banks to serve as depository for the authority's money.

23 (b) All of the authority's money shall be deposited in the  
24 depository bank or banks, except that:

25 (1) money pledged to pay bonds may be deposited with  
26 the trustee bank or banks named in the trust indenture; and

27 (2) money for payment of the principal of and interest

1 on bonds shall be remitted to the bank of payment.

2 (c) To the extent that money in the depository banks and the  
3 trustee bank are not insured by the Federal Deposit Insurance  
4 Corporation, they must be secured in the manner provided by law for  
5 the security of county funds.

6 (d) Before designating a depository bank or banks, the board  
7 shall issue a notice that:

8 (1) states the time and place of the board's meeting  
9 for that purpose; and

10 (2) invites the banks to submit applications to be  
11 designated depositories.

12 (e) The notice must be published one time in a newspaper  
13 published in the city of Athens at least 10 days before the date set  
14 for receiving applications.

15 (f) The board shall prescribe the terms of service for  
16 depositories.

17 (g) At the time mentioned in the notice, the board shall:

18 (1) consider the applications and the management and  
19 condition of the banks filing applications; and

20 (2) designate as depository the bank or banks that:

21 (A) offer the most favorable terms for handling  
22 the authority's money; and

23 (B) the board finds have proper management and  
24 are in condition to handle the authority's money.

25 (h) If the board does not receive any applications by the  
26 time stated in the notice, or if the board rejects all applications,  
27 the board shall designate a bank or banks on terms it finds

1 advantageous to the authority. (V.A.C.S. Art. 8280-196, Sec. 10.)

2 [Sections 8101.204-8101.250 reserved for expansion]

3 SUBCHAPTER F. BONDS

4 Sec. 8101.251. AUTHORITY TO ISSUE BONDS. (a) The  
5 authority may issue bonds to:

6 (1) purchase or otherwise provide works, plants,  
7 facilities, or appliances necessary to accomplish the purposes  
8 authorized by this chapter; or

9 (2) exercise any other power conferred by this  
10 chapter.

11 (b) Bonds issued by the authority must be payable from  
12 revenue or ad valorem taxes. If bonds are payable wholly from  
13 revenue, the revenue may be pledged by board resolution without an  
14 election. (V.A.C.S. Art. 8280-196, Sec. 7(a) (part).)

15 Sec. 8101.252. REFUNDING BONDS. (a) The authority may  
16 issue refunding bonds to refund outstanding bonds issued under this  
17 subchapter and interest on those bonds.

18 (b) Refunding bonds may:

19 (1) be issued to refund bonds of more than series;

20 (2) combine the pledges for the outstanding bonds for  
21 the security of the refunding bonds; or

22 (3) be secured by a pledge of other or additional  
23 revenue or mortgage liens.

24 (c) The provisions of this subchapter regarding the  
25 issuance of other bonds, their security, and the remedies of the  
26 holders apply to refunding bonds, except that an election is not  
27 required for refunding bonds.



1           (d) The comptroller shall register the refunding bonds on  
2       surrender and cancellation of the bonds to be refunded.

3           (e) Instead of issuing bonds to be registered on the  
4       surrender and cancellation of the bonds to be refunded, the  
5       authority, in the resolution authorizing the issuance of the  
6       refunding bonds, may provide for the sale of the refunding bonds and  
7       the deposit of the proceeds in a bank at which the bonds to be  
8       refunded are payable. In that case, the refunding bonds may be  
9       issued in an amount sufficient to pay the principal of and interest  
10      on the bonds to be refunded to their option date or maturity date,  
11      and the comptroller shall register the refunding bonds without the  
12      surrender and cancellation of the bonds to be refunded. (V.A.C.S.  
13      Art. 8280-196, Sec. 7(g).)

14           Sec. 8101.253. FORM OF BONDS. (a) An authority bond must:

- 15               (1) be issued in the name of the authority;  
16               (2) be signed by the president;  
17               (3) be attested to by the secretary; and  
18               (4) have the authority seal impressed on it or a  
19      facsimile seal printed on it.

20           (b) At the option of the board, a bond may be signed in  
21      accordance with Chapter 618, Government Code. (V.A.C.S.  
22      Art. 8280-196, Sec. 7(a) (part).)

23           Sec. 8101.254. MATURITY. Bonds issued under this  
24      subchapter must mature within 40 years. (V.A.C.S. Art. 8280-196,  
25      Sec. 7(a) (part).)

26           Sec. 8101.255. TRUST INDENTURE. The trust indenture may  
27      contain provisions prescribed by the board that:

1           (1) provide for the security of the bonds and the  
2 operation and preservation of the trust estate;

3           (2) provide for amendment or modification of the trust  
4 indenture;

5           (3) provide for the issuance of bonds to replace lost  
6 or mutilated bonds; and

7           (4) condition the right to spend authority money or  
8 sell authority property on the approval of a licensed engineer  
9 selected as provided by the trust indenture. (V.A.C.S.  
10 Art. 8280-196, Sec. 7(i).)

11       Sec. 8101.256. ELECTION FOR BONDS PAYABLE FROM AD VALOREM  
12 TAXES. The authority may not issue bonds payable wholly or partly  
13 from ad valorem taxes unless the voters of the authority authorize  
14 that issuance at an election held for that purpose in the manner  
15 prescribed by Section 49.106, Water Code. (V.A.C.S. Art. 8280-196,  
16 Sec. 7(a) (part).)

17       Sec. 8101.257. BOND SECURITY; REVENUE; TAXES; ADDITIONAL  
18 BONDS. (a) In this section, "net revenue" means the gross revenue  
19 of the authority after deducting the amount necessary to pay the  
20 cost of maintaining and operating the authority, including its  
21 properties.

22       (b) Bonds issued under this subchapter may be secured by:

23           (1) a pledge of all or part of the net revenue of the  
24 authority, including the net revenue of a past or future contract;  
25 or

26           (2) other revenue and income specified by resolution  
27 of the board or the trust indenture.

1           (c) If bonds are issued payable wholly or partly from taxes,  
2 the board shall impose taxes on all taxable property in the  
3 authority without limit as to rate or amount while those bonds are  
4 outstanding. The board shall impose the taxes in amounts:

5               (1) sufficient to pay the principal of and interest on  
6 the bonds annually as they mature; or

7               (2) required to supplement the net revenue pledged to  
8 the bonds' payment so that the principal of and interest on the  
9 bonds are paid when due.

10           (d) A bond security pledge under this section may reserve to  
11 the authority the right, under conditions specified by the pledge,  
12 to issue additional bonds that will be on a parity with or  
13 subordinate to the bonds then being issued. (V.A.C.S.  
14 Art. 8280-196, Sec. 7(c).)

15           Sec. 8101.258. ADDITIONAL SECURITY. (a) Bonds, including  
16 refunding bonds, payable partly or wholly from a pledge of revenue  
17 authorized by this subchapter may be additionally secured by a  
18 mortgage lien on physical properties of the authority and all  
19 franchises, easements, water rights and appropriation permits,  
20 leases, contracts, and all rights appurtenant to those properties,  
21 vesting in the trustee under the trust indenture the power to:

22               (1) sell the properties for payment of the debt;

23               (2) operate the properties; and

24               (3) take any other action to secure the bonds.

25           (b) A purchaser under a sale under the deed of trust:

26               (1) is the absolute owner of the properties and  
27 facilities purchased; and

1           (2) is entitled to maintain and operate those  
2 properties and facilities. (V.A.C.S. Art. 8280-196, Sec. 7(h).)

3           Sec. 8101.259. CHARGES FOR AUTHORITY SERVICES. The board  
4 shall set the rates of compensation for services rendered by the  
5 authority so that the authority has enough money to pay the expenses  
6 of operating and maintaining the facilities of the authority, to  
7 pay bonds as they mature and the interest as it accrues, and to  
8 maintain the reserve and other funds as provided in the resolution  
9 authorizing the bonds or in the trust indenture. (V.A.C.S.  
10 Art. 8280-196, Sec. 7(d).)

11          Sec. 8101.260. USE OF BOND PROCEEDS. (a) The authority  
12 may set aside and use proceeds from bond sales for:

13           (1) the payment of interest expected to accrue during  
14 construction and the first year after construction; and

15           (2) a reserve interest and sinking fund.

16          (b) The authority may provide in the resolution authorizing  
17 the bonds or in the trust indenture for setting aside and using the  
18 proceeds as described by Subsection (a).

19          (c) The authority may use proceeds from the sale of bonds to  
20 pay an expense incurred in accomplishing the purposes of the  
21 authority. (V.A.C.S. Art. 8280-196, Sec. 7(e).)

22          Sec. 8101.261. APPOINTMENT OF RECEIVER. (a) On default  
23 or threatened default in the payment of the principal of or interest  
24 on bonds issued under this subchapter that are payable wholly or  
25 partly from revenue, a court may, on petition of the holders of  
26 outstanding bonds, appoint a receiver for the authority.

27          (b) The receiver, without consent of or hindrance by the

board, may:

- (1) collect and receive all authority income;
- (2) employ and discharge authority agents and employees;
- (3) take charge of money on hand; and
- (4) manage the affairs of the authority.

(c) The receiver may be authorized to sell or contract for the sale of services of the authority's facilities or to renew those contracts with the approval of the appointing court.

(d) The court may vest the receiver with any other power or duty the court finds necessary to protect the bondholders.

(e) The resolution that authorizes the issuance of the bonds or the trust indenture securing their payment may:

(1) specify the minimum percentage of outstanding bonds that must be held by the bondholders seeking the appointment of a receiver; or

(2) otherwise qualify the right of bondholders to institute litigation that might affect the authority's property, including money. (V.A.C.S. Art. 8280-196, Sec. 7(f).)

Sec. 8101.262. BONDS SECURED BY CONTRACT PROCEEDS; APPROVAL. (a) If bonds issued under this subchapter state that they are secured by a pledge of the proceeds of a contract previously made between the authority and a municipality or other governmental agency, including a district, a copy of that contract and the proceedings of the entity authorizing the contract must be submitted to the attorney general along with the bonds.

(b) If the attorney general finds that the bonds have been

1 authorized and the contract has been made in accordance with law,  
2 the attorney general shall approve the bonds and contract.  
3 (V.A.C.S. Art. 8280-196, Sec. 7(j) (part).)

4 Sec. 8101.263. BONDS EXEMPT FROM TAXATION. A bond issued  
5 under this subchapter, the transfer of the bond, and income from the  
6 bond, including profits made on the sale of the bond, are exempt  
7 from taxation in this state. (V.A.C.S. Art. 8280-196, Sec. 14  
8 (part).)

9 Sec. 8101.264. PROPERTY EXEMPT FROM TAXATION AND  
10 ASSESSMENT. Property of the authority is exempt from taxation and  
11 assessment. (V.A.C.S. Art. 8280-196, Sec. 14 (part).)

12 CHAPTER 8102. ADDICKS UTILITY DISTRICT

13 SUBCHAPTER A. GENERAL PROVISIONS

14 Sec. 8102.001. DEFINITION

15 Sec. 8102.002. CREATION; NATURE OF DISTRICT

16 Sec. 8102.003. LEGISLATIVE FINDINGS

17 Sec. 8102.004. DISTRICT TERRITORY

18 [Sections 8102.005-8102.050 reserved for expansion]

19 SUBCHAPTER B. BOARD OF DIRECTORS

20 Sec. 8102.051. DIRECTORS

21 [Sections 8102.052-8102.100 reserved for expansion]

22 SUBCHAPTER C. DISTRICT RIGHTS, POWERS, AND FUNCTIONS

23 Sec. 8102.101. GENERAL RIGHTS, POWERS, PRIVILEGES, AND

24 FUNCTIONS

25 CHAPTER 8102. ADDICKS UTILITY DISTRICT

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 8102.001. DEFINITION. In this chapter, "district"

means "Addicks Utility District." (V.A.C.S. Art. 8280-548, Sec. 1 (part).)

Sec. 8102.002. CREATION; NATURE OF DISTRICT. The district is a conservation and reclamation district in Harris County, Texas, created under Section 59, Article XVI, Texas Constitution. (V.A.C.S. Art. 8280-548, Sec. 1 (part).)

Sec. 8102.003. LEGISLATIVE FINDINGS. The legislature finds that:

(1) the creation and establishment of the district is essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution;

(2) all land and other property included in the boundaries of the district will be benefited by the works and projects accomplished by the district under the powers conferred by Section 59, Article XVI, Texas Constitution; and

(3) the district is created to serve a public use and benefit. (V.A.C.S. Art. 8280-548, Secs. 1 (part), 3.)

Sec. 8102.004. DISTRICT TERRITORY. (a) The district is composed of the territory described by Section 4, Chapter 661, Acts of the 62nd Legislature, Regular Session, 1971 (V.A.C.S. Article 8280-548), as that territory may have been modified under:

(1) Subchapter J, Chapter 49, Water Code; or

(2) other law.

(b) The legislature finds that the boundaries and field notes of the district contained in Section 4, Chapter 661, Acts of the 62nd Legislature, Regular Session, 1971 (V.A.C.S. Article 8280-548), form a closure. A mistake in the field notes or in

1 copying the field notes in the legislative process does not affect:

2 (1) the organization, existence, or validity of the  
3 district;

4 (2) the right of the district to issue any type of  
5 bonds for the purposes for which the district is created or to pay  
6 the principal and interest on the bonds;

7 (3) the right of the district to impose taxes; or

8 (4) the legality or operation of the district or its  
9 governing body. (V.A.C.S. Art. 8280-548, Sec. 2; New.)

10 [Sections 8102.005-8102.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 8102.051. DIRECTORS. Directors are elected or  
13 appointed and serve for the terms and in the manner provided by  
14 Chapter 49, Water Code. (V.A.C.S. Art. 8280-548, Sec. 6 (part).)

15 [Sections 8102.052-8102.100 reserved for expansion]

16 SUBCHAPTER C. DISTRICT RIGHTS, POWERS, AND FUNCTIONS

17 Sec. 8102.101. GENERAL RIGHTS, POWERS, PRIVILEGES, AND  
18 FUNCTIONS. (a) The district has all of the rights, powers,  
19 privileges, and functions provided by the general laws of this  
20 state applicable to municipal utility districts, including  
21 Chapters 49 and 54, Water Code.

22 (b) If a provision of a general law that applies to  
23 municipal utility districts is in conflict or inconsistent with  
24 this chapter, this chapter prevails. (V.A.C.S. Art. 8280-548, Sec.  
25 5 (part).)

26 [Chapters 8103-8500 reserved for expansion]

27 SUBTITLE G. RIVER AUTHORITIES



CHAPTER 8501. ANGELINA AND NECHES RIVER AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8501.001. DEFINITIONS

Sec. 8501.002. WATER RIGHTS NOT AFFECTED

Sec. 8501.003. REGULAR OFFICE OF AUTHORITY

Sec. 8501.004. RECORDS

Sec. 8501.005. LIBERAL CONSTRUCTION

[Sections 8501.006-8501.050 reserved for expansion]

SUBCHAPTER B. NATURE AND TERRITORY

Sec. 8501.051. CREATION AND NATURE OF AUTHORITY

Sec. 8501.052. TERRITORY

[Sections 8501.053-8501.100 reserved for expansion]

SUBCHAPTER C. BOARD OF DIRECTORS AND EMPLOYEES

Sec. 8501.101. MEMBERSHIP OF BOARD

Sec. 8501.102. TERMS

Sec. 8501.103. VACANCY

Sec. 8501.104. OATH AND BOND REQUIREMENT FOR DIRECTOR

Sec. 8501.105. COMPENSATION OF DIRECTORS

Sec. 8501.106. QUORUM RELATING TO CONSTRUCTION MATTERS

Sec. 8501.107. OFFICERS

Sec. 8501.108. MEETINGS

Sec. 8501.109. EMPLOYMENT PREFERENCE

Sec. 8501.110. REMOVAL OF EMPLOYEE

Sec. 8501.111. COMPENSATION OF EMPLOYEES

Sec. 8501.112. DIRECTOR'S, OFFICER'S, OR EMPLOYEE'S SURETY

BOND

Sec. 8501.113. CONFLICT OF INTEREST; CRIMINAL PENALTY

[Sections 8501.114-8501.150 reserved for expansion]

SUBCHAPTER D. POWERS AND DUTIES

- Sec. 8501.151. POWERS UNDER CONSTITUTION AND OTHER LAW
- Sec. 8501.152. APPLICABILITY OF WATER CODE
- Sec. 8501.153. STATE SUPERVISION AND APPROVAL
- Sec. 8501.154. GENERAL POWERS RELATING TO WATER
- Sec. 8501.155. POWERS RELATING TO PARTICULAR PURPOSES
- Sec. 8501.156. POWERS RELATING TO FLOODING
- Sec. 8501.157. POWERS RELATING TO USE OF WATER IN GENERAL
- Sec. 8501.158. POWERS RELATING TO DOMESTIC, COMMERCIAL, OR INDUSTRIAL USE OF WATER
- Sec. 8501.159. POWERS RELATING TO USE OF WATER FOR IRRIGATION
- Sec. 8501.160. POWERS RELATING TO DRAINAGE OF WATER
- Sec. 8501.161. POWERS RELATING TO ACQUISITION OR OPERATION OF WORKS, LAND, OR OTHER PROPERTY
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CHAPTER 8501. ANGELINA AND NECHES RIVER AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8501.001. DEFINITIONS. In this chapter:

(1) "Authority" means the Angelina and Neches River Authority.

(2) "Board" means the board of directors of the authority. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 1 (part); New.)

Sec. 8501.002. WATER RIGHTS NOT AFFECTED. This chapter does not affect any existing rights, or existing priorities in the rights, to water from the source of supply. The formation of the authority or a contract for the purchase of water with the authority is not an abandonment or waiver of those rights or priorities and is not an abandonment of the original point of diversion from the source of supply. All those rights existing at the time of the formation of the authority are preserved. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 31.)

Sec. 8501.003. REGULAR OFFICE OF AUTHORITY. A regular office shall be established and maintained for conducting authority

1 business within the authority's territory. (Acts 44th Leg., R.S.,  
2 G.L., Ch. 97, Sec. 9 (part).)

3 Sec. 8501.004. RECORDS. (a) The secretary-treasurer of  
4 the board shall keep a record of all proceedings and all orders of  
5 the board.

6 (b) The records of the authority are subject to public  
7 inspection. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs. 7 (part), 9  
8 (part).)

9 Sec. 8501.005. LIBERAL CONSTRUCTION. This chapter shall be  
10 liberally construed to effectuate its purposes. (Acts 44th Leg.,  
11 R.S., G.L., Ch. 97, Sec. 16 (part).)

12 [Sections 8501.006-8501.050 reserved for expansion]

13 SUBCHAPTER B. NATURE AND TERRITORY

14 Sec. 8501.051. CREATION AND NATURE OF AUTHORITY. The  
15 Angelina and Neches River Authority is created as a conservation  
16 and reclamation district. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec.  
17 1 (part).)

18 Sec. 8501.052. TERRITORY. (a) The authority is composed of  
19 the territory described by Section 3, Chapter 97, General Laws,  
20 Acts of the 44th Legislature, Regular Session, 1935, as amended by  
21 the relevant part of Section 1, Chapter 394, Acts of the 65th  
22 Legislature, Regular Session, 1977.

23 (b) The authority's territory also may have been modified  
24 under other law. (New.)

25 [Sections 8501.053-8501.100 reserved for expansion]

26 SUBCHAPTER C. BOARD OF DIRECTORS AND EMPLOYEES

27 Sec. 8501.101. MEMBERSHIP OF BOARD. (a) The board consists

1 of nine directors appointed by the governor with the advice and  
2 consent of the senate.

3 (b) Each director must be a freehold property taxpayer and a  
4 qualified voter of the state. (Acts 44th Leg., R.S., G.L., Ch. 97,  
5 Sec. 4 (part).)

6 Sec. 8501.102. TERMS. Directors are appointed for  
7 staggered terms of six years with one-third of the directors' terms  
8 expiring every two years. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec.  
9 4 (part).)

10 Sec. 8501.103. VACANCY. (a) A vacancy on the board shall  
11 be filled by appointment by the governor with the advice and consent  
12 of the senate.

13 (b) A person appointed to a vacant position serves for the  
14 unexpired part of the term. (Acts 44th Leg., R.S., G.L., Ch. 97,  
15 Sec. 4 (part).)

16 Sec. 8501.104. OATH AND BOND REQUIREMENT FOR  
17 DIRECTOR. (a) A director shall, within 15 days after the date of  
18 appointment, qualify by taking the constitutional oath of office  
19 and by filing a good and sufficient bond with the secretary of  
20 state.

21 (b) The bond is subject to approval by the secretary of  
22 state and must:

- 23 (1) be in the amount of \$1,000;  
24 (2) be payable to the authority; and  
25 (3) be conditioned on the faithful performance of the  
26 duties as a director. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 4  
27 (part).)

1           Sec. 8501.105.   COMPENSATION OF DIRECTORS. Unless the board  
2 by resolution increases the fee of office to an amount authorized by  
3 Section 49.060, Water Code, a director shall receive as a fee of  
4 office an amount not to exceed \$10 for each day of service necessary  
5 to discharge the director's duties, if the board votes to authorize  
6 the service. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 8 (part).)

7           Sec. 8501.106.   QUORUM RELATING TO CONSTRUCTION MATTERS.  
8 The concurrence of five directors is required for entering into a  
9 construction contract or for authorizing the issuance of a warrant  
10 to pay for a construction contract. (Acts 44th Leg., R.S., G.L.,  
11 Ch. 97, Sec. 5 (part).)

12          Sec. 8501.107.   OFFICERS. (a) The board shall elect one of  
13 the directors as president of the board, one as vice president, and  
14 one as secretary-treasurer.

15          (b) The president is the chief executive officer of the  
16 authority.

17          (c) The vice president shall act as president if the  
18 president is absent or disabled.

19          (d) The secretary-treasurer shall act as a secretary of the  
20 board. The board shall select a secretary pro tem if the  
21 secretary-treasurer is absent or unable to act. (Acts 44th Leg.,  
22 R.S., G.L., Ch. 97, Secs. 5 (part), 7 (part).)

23          Sec. 8501.108.   MEETINGS. (a) The president shall preside  
24 at all meetings of the board.

25          (b) The board shall set, by order entered in the minutes of  
26 its proceedings, a specified time for the regular meetings of the  
27 board. The board shall meet for a specific occasion if called by

1 order of the president, vice president, or a majority of the  
2 directors.

3 (c) The board shall hold its meetings at its office and  
4 principal place of business unless the board directs otherwise for  
5 a specific occasion. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 7  
6 (part).)

7 Sec. 8501.109. EMPLOYMENT PREFERENCE. (a) The authority  
8 and each contractor who employs labor for the construction of an  
9 improvement for the authority shall give a preference to the  
10 employment of:

11 (1) persons who are on relief rolls or otherwise  
12 unemployed and who are able to efficiently provide the proper  
13 service in the various classifications of labor under which they  
14 are to be employed; and

15 (2) if there are not sufficient persons who are  
16 qualified under Subdivision (1), qualified workers who reside in  
17 the locality where the improvement is to be constructed.

18 (b) The persons to whom the preference applies include  
19 persons required for office or clerical work but do not include the  
20 key workers of the authority or contractor.

21 (c) Each contract expressly entered into under this chapter  
22 by the authority with a contractor must expressly impose on the  
23 contractor the duty to give the preference provided by this  
24 section.

25 (d) To the extent this section conflicts with the  
26 requirements of a federal agency providing funds for the authority,  
27 the requirements of the federal agency control. (Acts 44th Leg.,



1 R.S., G.L., Ch. 97, Sec. 32.)

2 Sec. 8501.110. REMOVAL OF EMPLOYEE. An employee of the  
3 authority may be removed by the board. (Acts 44th Leg., R.S., G.L.,  
4 Ch. 97, Sec. 11 (part).)

5 Sec. 8501.111. COMPENSATION OF EMPLOYEES. The board shall  
6 set the reasonable compensation to be paid to the general manager  
7 and other employees of the authority. (Acts 44th Leg., R.S., G.L.,  
8 Ch. 97, Secs. 11 (part), 14(n) (part).)

9 Sec. 8501.112. DIRECTOR'S, OFFICER'S, OR EMPLOYEE'S SURETY  
10 BOND. A bond required to be given by a director, officer, or  
11 employee of the authority must be executed by a surety company  
12 authorized to do business in this state, as surety on the bond.  
13 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 12.)

14 Sec. 8501.113. CONFLICT OF INTEREST; CRIMINAL  
15 PENALTY. (a) A director or an engineer or employee of the  
16 authority may not be directly or indirectly interested, personally  
17 or as an agent for another person, in a contract for the purchase or  
18 construction of any work by the authority.

19 (b) A person commits an offense if the person violates this  
20 section. An offense under this subsection is a misdemeanor  
21 punishable by a fine not to exceed \$1,000, by confinement in the  
22 county jail for not less than six months or more than one year, or by  
23 both the fine and confinement. (Acts 44th Leg., R.S., G.L., Ch. 97,  
24 Sec. 13.)

25 [Sections 8501.114-8501.150 reserved for expansion]

26 SUBCHAPTER D. POWERS AND DUTIES

27 Sec. 8501.151. POWERS UNDER CONSTITUTION AND OTHER LAW.

1 The authority has the powers of a conservation and reclamation  
2 district under the constitution and other laws of this state,  
3 including the powers:

4 (1) expressly authorized in Section 59, Article XVI,  
5 Texas Constitution, for a district created to conserve, store,  
6 control, preserve, use, and distribute the storm water and  
7 floodwater and the water of the rivers and streams of the state;

8 (2) implied by the purposes of that section of the  
9 constitution; and

10 (3) given by general law. (Acts 44th Leg., R.S., G.L.,  
11 Ch. 97, Sec. 1 (part).)

12 Sec. 8501.152. APPLICABILITY OF WATER CODE. The rights,  
13 powers, privileges, and functions granted to the authority, and the  
14 authority itself, are expressly subject to Chapters 11, 12, 26, and  
15 49, Water Code, as applicable. (Acts 44th Leg., R.S., G.L., Ch. 97,  
16 Sec. 1 (part).)

17 Sec. 8501.153. STATE SUPERVISION AND APPROVAL. (a) The  
18 Texas Commission on Environmental Quality shall consider the  
19 adequacy of, and decide whether to approve, any flood control or  
20 conservation improvement plan that:

21 (1) is devised by the authority to achieve a plan or  
22 purpose for which the authority is created; and

23 (2) contemplates improvements that are to be  
24 supervised by the commission under general law.

25 (b) Before the authority establishes a diversion point or  
26 constructs a canal, pumping plant, or other work under this  
27 chapter, the authority must:

1           (1) present the plans and specifications for the  
2 project to the Texas Commission on Environmental Quality; and

3           (2) obtain the approval of the commission. (Acts 44th  
4 Leg., R.S., G.L., Ch. 97, Secs. 14(q), 15 (part).)

5           Sec. 8501.154. GENERAL POWERS RELATING TO WATER. (a) The  
6 authority has the rights and powers of an independent conservation  
7 and reclamation district to construct, maintain, and operate in the  
8 valleys of the Neches River and its tributaries, inside or outside  
9 the authority, any work considered essential:

10           (1) to the operation of the authority; and

11           (2) for the authority's administration in the control,  
12 storage, preservation, and distribution to all useful purposes of  
13 the water, including storm water and floodwater, of the Neches  
14 River and its tributaries.

15           (b) The authority has the same power of control and  
16 regulation over the waters of the Neches River and its tributaries  
17 that the state has, subject to the constitution and statutes of this  
18 state. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 1 (part).)

19           Sec. 8501.155. POWERS RELATING TO PARTICULAR PURPOSES. For  
20 the conservation and beneficial use of the water of the Neches River  
21 and its tributaries, including storm water and floodwater, the  
22 authority may control and use the water in the manner and for a  
23 particular purpose described by Section 8501.156, 8501.157,  
24 8501.158, 8501.159, 8501.160, or 8501.161. (Acts 44th Leg., R.S.,  
25 G.L., Ch. 97, Sec. 14 (part).)

26           Sec. 8501.156. POWERS RELATING TO FLOODING. In acting  
27 under Section 8501.155, the authority may:

1           (1) prevent the devastation of land from recurrent  
2 overflows;

3           (2) protect life and property in the authority from  
4 uncontrolled floodwater; and

5           (3) encourage the conservation of soil to prevent  
6 destructive erosion and to prevent the increased flood menace  
7 related to that erosion. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs.  
8 14(c) (part), (g).)

9           Sec. 8501.157. POWERS RELATING TO USE OF WATER IN GENERAL.  
10 In acting under Section 8501.155, the authority may:

11           (1) through practical means, provide for the control  
12 and coordination of the regulation of the water of the Neches River  
13 and its tributaries;

14           (2) by adequate organization and administration,  
15 provide for preserving the equitable rights of the people of  
16 different sections of the watershed area in the beneficial use of  
17 the water of the Neches River and its tributaries;

18           (3) store, control, and conserve the water of the  
19 Neches River and its tributaries inside or outside the authority  
20 and prevent the escape of that water without the maximum of public  
21 service;

22           (4) equitably distribute the water of the Neches River  
23 and its tributaries to meet the regional potential requirements for  
24 all uses, including domestic, manufacturing, and irrigation uses;  
25 and

26           (5) use controlled and conserved floodwater and storm  
27 water for any purpose that results in the performance of a useful

1 service authorized by the constitution of this state. (Acts 44th  
2 Leg., R.S., G.L., Ch. 97, Secs. 14(a), (b), (c) (part), (e) (part),  
3 (j).)

4 Sec. 8501.158. POWERS RELATING TO DOMESTIC, COMMERCIAL, OR  
5 INDUSTRIAL USE OF WATER. In acting under Section 8501.155, the  
6 authority may:

7 (1) conserve the water of the Neches River and its  
8 tributaries essential for the domestic uses of the people of the  
9 authority, including all necessary water supplies for cities and  
10 towns;

11 (2) control the water of the Neches River and its  
12 tributaries and make the water available for use in the development  
13 of commercial and industrial enterprises in the entire watershed  
14 area of the authority; and

15 (3) control, store, and use the water of the Neches  
16 River and its tributaries in the development and distribution of  
17 hydroelectric power, if that use is economically coordinated with  
18 other superior uses and subordinated to the uses declared by law to  
19 be superior. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs. 14(d), (h),  
20 (i).)

21 Sec. 8501.159. POWERS RELATING TO USE OF WATER FOR  
22 IRRIGATION. In acting under Section 8501.155, the authority may  
23 provide for the irrigation of all land in the authority or land  
24 outside the authority but inside the authority's watershed area  
25 where the irrigation is required for agricultural purposes or is  
26 considered helpful to more profitable agricultural production.  
27 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(e) (part).)

1           Sec. 8501.160. POWERS RELATING TO DRAINAGE OF WATER. In  
2 acting under Section 8501.155, the authority may:

3           (1) provide for the better encouragement and  
4 development of drainage systems for, and provide for the drainage  
5 of, lands in the valleys of the Neches River and its tributaries as  
6 needed for profitable agricultural production; and

7           (2) provide for drainage for other land in the  
8 watershed area of the authority as required for the most  
9 advantageous use of the land. (Acts 44th Leg., R.S., G.L., Ch. 97,  
10 Sec. 14(f).)

11          Sec. 8501.161. POWERS RELATING TO ACQUISITION OR OPERATION  
12 OF WORKS, LAND, OR OTHER PROPERTY. (a) In acting under Section  
13 8501.155, the authority may:

14           (1) purchase or construct any work necessary or  
15 convenient for the exercise of the authority's powers under this  
16 chapter and to accomplish the purposes of this chapter; and

17           (2) purchase or otherwise acquire land or other  
18 property necessary or convenient for carrying out the purposes of  
19 this chapter.

20           (b) The plans and works provided by the authority, and the  
21 works provided under the power of the authority, shall regard  
22 primarily the necessary and potential needs for water by or within  
23 the area in the authority constituting the watershed of the Neches  
24 River and its tributaries. (Acts 44th Leg., R.S., G.L., Ch. 97,  
25 Secs. 14(e) (part), (k).)

26          Sec. 8501.162. ADDITIONAL POWERS RELATING TO ACQUISITION OR  
27 OPERATION OF PROPERTY. (a) In this section, "property" includes

1 a right, including a water right, and includes land and a tenement,  
2 easement, improvement, reservoir, dam, canal, lateral, plant,  
3 work, and facility.

4 (b) The authority may investigate, plan, acquire,  
5 construct, maintain, or operate any property the authority  
6 considers necessary or proper for the accomplishment of the  
7 purposes of the authority.

8 (c) The power described by Subsection (b) includes the power  
9 to acquire property inside or outside the authority that is  
10 incidental or helpful to carrying out the authority's purposes  
11 under this chapter. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 16  
12 (part).)

13 Sec. 8501.163. POWERS RELATING TO CONTRACT, LEASE,  
14 AGREEMENT, OR CONVEYANCE. (a) The authority may enter into a  
15 contract, lease, or other agreement necessary or convenient to  
16 carry out a power given to the authority by this chapter.

17 (b) The authority may enter into the contract, lease, or  
18 agreement with any person, including:

19 (1) an individual or artificial entity;

20 (2) a corporation, including a municipal corporation  
21 and a public or private corporation; and

22 (3) a government or governmental agency, including the  
23 United States and this state.

24 (c) The authority may:

25 (1) convey or cause to be conveyed any of its property  
26 to the United States; and

27 (2) enter into a lease, regardless of whether it

1 includes a privilege of purchase, with the United States relating  
2 to any property and obligate the authority to pay rent under the  
3 lease from the income or other revenue of the property.

4 (d) A contract, lease, or agreement under this section must  
5 be approved by resolution of the board and must be executed by the  
6 president and attested by the secretary-treasurer.

7 (e) This section does not authorize the assumption by the  
8 authority of any obligation requiring a payment from taxes.

9 (f) The property to which Subsection (c) applies includes a  
10 right, land, tenement, easement, improvement, reservoir, dam,  
11 canal, plant, lateral, work, and facility. (Acts 44th Leg., R.S.,  
12 G.L., Ch. 97, Sec. 14(o).)

13 Sec. 8501.164. RIGHT OF EMINENT DOMAIN. (a) The  
14 authority may exercise the power of eminent domain to acquire fee  
15 simple title to, or an easement over or through, any land, water, or  
16 land under water that is necessary or convenient for carrying out  
17 any purpose or power given to the authority by this chapter. The  
18 power applies to private or public property inside or outside the  
19 authority.

20 (b) A condemnation proceeding is under the direction of the  
21 board and must be in the name of the authority.

22 (c) The assessment of damages and all procedures related to  
23 condemnation, appeal, and payment must conform to Chapter 21,  
24 Property Code. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(1).)

25 Sec. 8501.165. COORDINATION AND JOINT UNDERTAKINGS AMONG  
26 DISTRICTS. (a) A drainage, conservation, reclamation, or other  
27 district created by this state with powers provided in Section 59,



Article XVI, Texas Constitution, may:

(1) coordinate its plans with the authority; and

(2) enter into joint undertakings with the authority for the purposes for which the entities are created.

(b) The acts taken under Subsection (a) must be approved by a majority of the boards of directors of all the districts involved. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 2.)

Sec. 8501.166. NO AUTHORITY FOR TAX OR SPECIAL ASSESSMENT. This chapter does not authorize the authority to impose a tax or special assessment or to create any debt payable from taxes. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 1 (part).)

[Sections 8501.167-8501.200 reserved for expansion]

#### SUBCHAPTER E. GENERAL FINANCIAL MATTERS

Sec. 8501.201. PROCEDURE FOR PAYMENT. A warrant for the payment of money by the authority may be drawn and signed by the president and the secretary-treasurer if the account under which the payment is to be made results from a contract made by the board and is ordered paid by the board. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 5 (part).)

Sec. 8501.202. RECORDS RELATING TO MONEY. The secretary-treasurer shall:

(1) receive and give a receipt for all money received by the authority; and

(2) keep records of all money received and spent by the authority. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 7 (part).)

Sec. 8501.203. FILING OF AUDIT. In addition to copies of the annual audit of the authority that are filed as required by

1 Section 49.194, Water Code, a copy shall be filed with the  
2 depository of the authority and the office of the auditor. (Acts  
3 44th Leg., R.S., G.L., Ch. 97, Sec. 10 (part).)

4 Sec. 8501.204. FEES. (a) The board shall prescribe fees  
5 to be collected for:

- 6 (1) the use of water;
- 7 (2) a water connection; or
- 8 (3) another service.

9 (b) The board shall set the fees in amounts that are  
10 reasonable and equitable and sufficient to produce revenue adequate  
11 to pay the items described by Subsection (c). The fees may not  
12 exceed what may be reasonably necessary to fulfill the obligations  
13 imposed on the authority by this chapter.

14 (c) The board shall pay the following items from the fees:

15 (1) all expenses necessary to the operation and  
16 maintenance of the improvements and facilities of the authority,  
17 including:

18 (A) the cost of the acquisition of materials and  
19 other property necessary to maintain the improvements and  
20 facilities in good condition and to operate them efficiently;

21 (B) necessary wages and salaries of the  
22 authority; and

23 (C) other expenses reasonably necessary to the  
24 efficient operation of the improvements and facilities;

25 (2) the interest on any obligation issued under this  
26 chapter and payable from the revenue from the improvements and  
27 facilities; and

1           (3) the amount required to be paid annually into the  
2 sinking fund for the payment of an obligation issued under this  
3 chapter and payable from the revenue of the improvements and  
4 facilities. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(m)  
5 (part).)

6           Sec. 8501.205. LIMITATION ON USE OF REVENUE. (a) A charge  
7 on the revenue derived from the improvements and facilities of the  
8 authority may not be made if the principal or interest of any  
9 obligation issued under this chapter is unpaid.

10          (b) If the revenue derived from the improvements and  
11 facilities of the authority exceed the amount required for the  
12 payment of items under Section 8501.204(c), the board may pay the  
13 cost of improvements and replacements not covered by Section  
14 8501.204(c)(1) and may establish a reasonable depreciation and  
15 emergency fund. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(m)  
16 (part).)

17           [Sections 8501.206-8501.250 reserved for expansion]

18           SUBCHAPTER F. OBLIGATIONS RELATING TO BORROWED MONEY

19           Sec. 8501.251. POWER TO BORROW MONEY; EVIDENCE OF  
20 OBLIGATION. The authority may:

21           (1) borrow money from any source, including an agency  
22 of the United States; and

23           (2) issue a note, warrant, certificate of  
24 indebtedness, or other form of obligation of the authority as  
25 evidence of the borrowed money. (Acts 44th Leg., R.S., G.L., Ch.  
26 97, Sec. 17 (part).)

27           Sec. 8501.252. OBLIGATION PAYABLE FROM REVENUE. (a) An

1 obligation issued under this chapter by the authority may be made  
2 payable from and secured by a pledge of:

3 (1) all the revenue derived from the operations and  
4 devices of the authority's improvements and facilities, excluding  
5 any revenue derived from a tax or assessment;

6 (2) only the revenue derived from the operation of the  
7 authority's improvements and facilities acquired with the proceeds  
8 from the sale of the obligation; or

9 (3) a specific part of the revenue derived from the  
10 operation of the authority's improvements and facilities.

11 (b) The proceedings authorizing the issuance of the  
12 obligation must identify the method described by Subsection (a)  
13 that is to be used to pay and secure the obligation. (Acts 44th  
14 Leg., R.S., G.L., Ch. 97, Secs. 17 (part), 19 (part).)

15 Sec. 8501.253. NO CREATION OF DEBT; NO PAYMENT FROM  
16 TAXES. (a) An obligation issued under this chapter is not a debt  
17 or a pledge of credit of the authority.

18 (b) The obligation:

19 (1) may not be paid in whole or part from any money  
20 raised by taxation; and

21 (2) must contain a recital to that effect. (Acts 44th  
22 Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

23 Sec. 8501.254. TIME OF SALE. An obligation issued under  
24 this chapter shall be sold at the time determined by the board to be  
25 expedient and necessary to the interest of the authority. (Acts  
26 44th Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

27 Sec. 8501.255. MATURITY. An obligation issued under this

chapter must mature not more than 50 years after its date in the manner provided by the board. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

Sec. 8501.256. SIGNATURES. (a) An obligation issued under this chapter must be signed by the president and secretary-treasurer of the board. An interest coupon attached to an obligation may be executed with the facsimile signature of the president and secretary-treasurer.

(b) If an officer whose signature is on an obligation or coupon ceases to be an officer before the delivery of the obligation to the purchaser, the signature remains valid for all purposes. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

Sec. 8501.257. LIEN ON REVENUE. (a) If more than one series of obligations is issued under this chapter payable from and secured by identical revenue, the priority of a lien against that revenue depends on the time of delivery of the obligations. A lien for a series of obligations is prior and superior to a lien for another series of obligations subsequently delivered.

(b) For an issue or series of obligations that are authorized as a unit but delivered periodically in blocks, the board may, in the proceedings authorizing the issuance of the obligations, provide that all the obligations of the issue or series are coequal as to lien regardless of the time of delivery. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 19 (part).)

Sec. 8501.258. SINKING FUND: IN GENERAL. (a) A resolution or order authorizing the issuance of obligations under this chapter must provide for the creation of a sinking fund. Amounts sufficient

1 to pay the principal of and interest on the obligations shall be  
2 paid into the fund from the revenue pledged to the payment of the  
3 obligations. The payments into the fund shall be made monthly as  
4 the revenue is collected.

5 (b) In the manner provided by this chapter, the money in the  
6 sinking fund shall be applied, at or before maturity of the  
7 obligations, solely to:

8 (1) the payment of interest on the obligations for the  
9 payment of which the fund is created; and

10 (2) the retirement of the obligations.

11 (c) A resolution or order authorizing the issuance of  
12 obligations under this chapter must provide that the revenue from  
13 which the obligations are to be paid and that is pledged to the  
14 payment of the obligations shall be:

15 (1) set apart and paid into the sinking fund monthly as  
16 the revenue accrues and is received; and

17 (2) disbursed in the manner provided by this chapter.

18 (d) In determining the amount of revenue to be set apart,  
19 the board shall provide that the amount to be set apart and paid  
20 into the sinking fund in any year shall be not less than a fixed  
21 amount. The fixed amount must be at least sufficient to:

22 (1) provide for the payment of the principal of and  
23 interest on all obligations maturing and becoming payable in the  
24 year; and

25 (2) create a surplus or margin of 10 percent in excess  
26 of the amount needed under Subdivision (1). (Acts 44th Leg., R.S.,  
27 G.L., Ch. 97, Secs. 20 (part), 22.)

1           Sec. 8501.259. SINKING FUND: EXCESS MONEY. (a) At the  
2 time obligations are authorized under this chapter, the board may  
3 provide that all money in the sinking fund in excess of the amount  
4 required for the payment of the principal of and interest on the  
5 outstanding obligations, for a period the board determines, shall  
6 be spent once each year under the board's order to purchase  
7 obligations for the account of which the sinking fund has been  
8 accumulated, if the obligations can be purchased at a price the  
9 board considers reasonable.

10           (b) The board may provide that, if the obligations contain  
11 an option permitting retirement before maturity, the excess amount  
12 shall be paid out as provided by this chapter for the purchase of  
13 the obligations. If the board is unable to purchase sufficient  
14 obligations of the issue to absorb all the surplus, the board shall  
15 call for redemption of a sufficient amount of the obligations to  
16 absorb, so far as practicable, the entire surplus remaining in the  
17 sinking fund.

18           (c) The board may provide that any excess amount in the  
19 sinking fund that cannot be applied to the purchase or redemption of  
20 obligations shall remain in the sinking fund to be used for payment  
21 of principal or interest, when due, or for the subsequent call of  
22 obligations for purchase or redemption in the manner provided by  
23 this section. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 20 (part).)

24           Sec. 8501.260. COVENANTS FOR MARKETABILITY. (a) A  
25 resolution or order authorizing the issuance of obligations under  
26 this chapter may contain covenants with the holders of the  
27 obligations on the following subjects as considered necessary to

1 ensure the marketability of the obligations:

2 (1) management and operation of the improvements and  
3 facilities of the authority;

4 (2) collection of fees for the use of the improvements  
5 and facilities;

6 (3) disposition of the fees;

7 (4) issuance of future obligations and creation of  
8 future liens, mortgages, and encumbrances against the improvements  
9 and facilities and the revenue of the improvements and facilities;  
10 and

11 (5) other pertinent matters.

12 (b) The covenants may not be inconsistent with this chapter.  
13 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 21.)

14 Sec. 8501.261. HOLDER OF OBLIGATION MAY COMPEL  
15 PERFORMANCE. (a) A holder of obligations issued under this  
16 chapter or of coupons originally attached to the obligations may  
17 enforce and compel the performance by the board of all duties  
18 required of the board by this chapter, including:

19 (1) setting and collecting reasonable and sufficient  
20 fees for the use of the improvements and facilities of the  
21 authority;

22 (2) segregating the income and revenue of the  
23 improvements and facilities; and

24 (3) applying the income and revenue under this  
25 chapter.

26 (b) The holder of the obligations or coupons may act under  
27 Subsection (a):



1 (1) at law or in equity; and

2 (2) by a suit, action, mandamus, or other proceeding.

3 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 23 (part).)

4 Sec. 8501.262. HOLDER OF OBLIGATION ENTITLED TO  
5 ADMINISTRATOR OR RECEIVER. (a) If there is a default in the  
6 payment of the principal of or interest on an obligation issued  
7 under this chapter, any holder of the obligation is entitled to have  
8 an administrator or receiver appointed by a court to administer and  
9 operate, on behalf of the authority and the holders of the  
10 obligation, the improvements and facilities the revenue of which is  
11 pledged to the payment of the obligation.

12 (b) The administrator or receiver may:

13 (1) set and collect fees sufficient to:

14 (A) provide for the payment of operation and  
15 maintenance expenses as described by this chapter; and

16 (B) pay any outstanding obligations or interest  
17 coupons payable from the revenue of the improvements and  
18 facilities; and

19 (2) apply the income and revenue of the improvements  
20 and facilities in accordance with this chapter and the proceedings  
21 authorizing the issuance of the obligation. (Acts 44th Leg., R.S.,  
22 G.L., Ch. 97, Sec. 23 (part).)

23 Sec. 8501.263. ADDITIONAL SECURITY FOR OBLIGATION:  
24 MORTGAGE AND ENCUMBRANCE. (a) As additional security for the  
25 payment of an obligation issued under this chapter, the board may  
26 have executed in favor of the holders of the obligations an  
27 indenture mortgaging and encumbering:

1           (1) the improvements, facilities, and other property  
2 acquired with the proceeds of the sale of the obligation; or

3           (2) all the improvements, facilities, and other  
4 property of the authority.

5           (b) In the encumbrance, the board may provide for granting  
6 to any purchaser at a foreclosure sale under the encumbrance a  
7 franchise to operate the improvements, facilities, and other  
8 property for a term not to exceed 50 years after the date of the  
9 purchase, subject to the laws regulating the matter.

10          (c) The indenture:

11           (1) may contain the provisions the board considers  
12 proper; and

13           (2) is enforceable in the manner provided by the laws  
14 of this state for the enforcement of other mortgages and  
15 encumbrances. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 24 (part).)

16          Sec. 8501.264. SALE UNDER MORTGAGE OR ENCUMBRANCE. (a)  
17 Under a sale ordered under a mortgage or encumbrance described by  
18 Section 8501.263, a purchaser of the improvements, facilities, and  
19 other property at the sale, and the purchaser's successors or  
20 assigns, are vested with a permit and franchise to maintain and  
21 operate the improvements, facilities, and other property with  
22 powers and privileges like those held by the authority in the  
23 operation of the improvements, facilities, and other property.

24           (b) Instead of operating the improvements, facilities, and  
25 other property as provided by Subsection (a), the purchaser and the  
26 purchaser's successors or assigns may remove all or part of the  
27 improvements, facilities, and other property for diversion to other

1 purposes. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 24 (part).)

2 Sec. 8501.265. STATE FRANCHISE LAW NOT APPLICABLE. A  
3 statute of this state relating to the granting of franchises is not  
4 applicable to:

5 (1) the authorization or execution of a mortgage or  
6 encumbrance entered into under this chapter; or

7 (2) the grant of a franchise under this chapter. (Acts  
8 44th Leg., R.S., G.L., Ch. 97, Sec. 24 (part).)

9 Sec. 8501.266. DEPOSIT OF PROCEEDS. (a) The proceeds of  
10 the sale of an obligation issued under this chapter may be:

11 (1) deposited in one or more banks on which the  
12 purchaser of the obligations and the board agree; and

13 (2) deposited and paid out under the conditions and  
14 other terms to which the purchaser and board agree.

15 (b) The statutes of this state relating to the deposit of  
16 authority funds in the depository of the authority do not apply to  
17 the deposit of the proceeds of the sale of an obligation issued  
18 under this chapter. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 25  
19 (part).)

20 Sec. 8501.267. USE OF UNSPENT PROCEEDS AFTER PROJECT  
21 COMPLETION. Any part of the proceeds of the sale of an obligation  
22 issued under this chapter that are unspent after the project for  
23 which the obligations were authorized is completed may be paid into  
24 the sinking fund for the payment of the obligation and may be used  
25 only for:

26 (1) the payment of the principal of the obligation; or

27 (2) the purpose of acquiring outstanding obligations

1 by purchase in the manner provided by this chapter. (Acts 44th  
2 Leg., R.S., G.L., Ch. 97, Sec. 25 (part).)

3 Sec. 8501.268. INSURING IMPROVEMENTS AND FACILITIES. (a)  
4 The board may enter into, under terms to which the board agrees, an  
5 agreement with the purchaser of an obligation issued under this  
6 chapter to:

7 (1) keep all the improvements and facilities, the  
8 revenue of which is pledged to the payment of the obligation,  
9 insured with insurers of good standing against loss or damage by  
10 fire, water or flood, or another hazard that private companies that  
11 operate similar property customarily cover by insurance; and

12 (2) carry with one or more insurers of good standing  
13 the insurance covering the use and occupancy of the property as is  
14 customarily carried by private companies that operate similar  
15 property.

16 (b) The cost of the insurance shall be budgeted as a  
17 maintenance and operation expense.

18 (c) The insurance shall be carried for the benefit of the  
19 holder of the obligation. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec.  
20 26.)

21 Sec. 8501.269. REFUNDING OBLIGATION. (a) The authority  
22 may authorize and issue, on terms the board considers advisable, a  
23 refunding obligation to provide for the retirement of an  
24 outstanding obligation issued by the authority under this chapter.  
25 The refunding obligation:

26 (1) may be issued for an obligation that is due or to  
27 become due; and

1           (2) is subject to the provisions of this chapter  
2 relating to the issuance of other obligations.

3           (b) A refunding obligation may be:

4               (1) exchanged for like par amounts of the outstanding  
5 obligation; or

6               (2) sold, with the proceeds being used to retire the  
7 outstanding obligation.

8           (c) The refunding obligation must be:

9               (1) secured in all respects to the same extent as other  
10 obligations issued under this chapter; and

11               (2) paid from the same revenue from which the refunded  
12 obligation was to be paid. (Acts 44th Leg., R.S., G.L., Ch. 97,  
13 Sec. 28.)

14           Sec. 8501.270. TAX EXEMPTION. An obligation issued under  
15 this chapter is exempt from taxation by this state or by any  
16 municipal corporation, county, or other political subdivision or  
17 taxing district of this state. (Acts 44th Leg., R.S., G.L., Ch. 97,  
18 Sec. 27.)

19           [Sections 8501.271-8501.900 reserved for expansion]

20           SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

21           Sec. 8501.901. CHAPTER AS FULL AUTHORITY; OTHER STATUTES  
22 NOT APPLICABLE. (a) This chapter, without reference to other  
23 statutes of this state, is full authority for the authorization and  
24 issuance of an obligation under this chapter and for the  
25 accomplishment of all actions authorized by this chapter. No other  
26 proceedings are necessary.

27           (b) A statute of this state does not apply to a proceeding or

other act under this chapter if the statute:

(1) relates to:

(A) the authorization or issuance of obligations;

(B) the operation or maintenance of an improvement or facility;

(C) the grant of a franchise or permit; or

(D) the right to an election or referendum petition; or

(2) in any way impedes or restricts the implementation of the acts authorized under this chapter.

(c) Notwithstanding Subsections (a) and (b), this section does not prevent another statute from applying to the authority if the legislative intent is that the other statute supersede or operate in conjunction with this chapter. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 30.)

[Chapters 8502-8800 reserved for expansion]

SUBTITLE H. DISTRICTS GOVERNING GROUNDWATER

CHAPTER 8801. HARRIS-GALVESTON COASTAL SUBSIDENCE DISTRICT

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- 25   Sec. 8801.164.    MONITORING OF ALTERNATIVE WATER SUPPLY
- 26                        [Sections 8801.165-8801.200 reserved for expansion]
- 27                        SUBCHAPTER E.   APPEAL AND ENFORCEMENT PROVISIONS



1 Sec. 8801.201. APPEAL OF SURFACE WATER RATES

2 Sec. 8801.202. APPEAL OF DISTRICT ACTIONS

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6 CHAPTER 8801. HARRIS-GALVESTON COASTAL SUBSIDENCE DISTRICT

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 8801.001. DEFINITIONS. In this chapter:

9 (1) "Board" means the board of directors of the  
10 district.

11 (2) "Commission" means the Texas Commission on  
12 Environmental Quality.

13 (3) "District" means the Harris-Galveston Coastal  
14 Subsidence District.

15 (4) "Groundwater" means water located beneath the  
16 earth's surface. The term does not include water produced with oil  
17 in the production of oil and gas.

18 (5) "Subsidence" means the lowering of the elevation  
19 of the surface of land by groundwater withdrawal.

20 (6) "Water conservation" means a measure that seeks to  
21 make a water supply available for alternative or future use. The  
22 term includes best management practices, improved efficiency or  
23 accountability, recycling, reuse, pollution prevention, and  
24 reduction in consumption, loss, or waste.

25 (7) "Well" means a facility, device, or method used to  
26 withdraw groundwater from the groundwater supply.

27 (8) "Well owner" means a person who has an ownership

1 interest in a well, operates a well, owns land on which a well is  
2 located, or owns the water withdrawn or to be withdrawn from a well.

3 (9) "Withdrawal" means the act of extracting by  
4 pumping or some other method. (Water Code, Secs. 151.002(1), (2),  
5 (3), (5), (7), (8), (9), (10), (11).)

6 Sec. 8801.002. NATURE OF DISTRICT. The district is a  
7 groundwater conservation district created under Section 59,  
8 Article XVI, Texas Constitution, and is essential to accomplish the  
9 purposes of that section. (Water Code, Sec. 151.001(a).)

10 Sec. 8801.003. PURPOSE; LEGISLATIVE INTENT. (a) The  
11 purpose of this chapter is to provide for the regulation of  
12 groundwater withdrawal in the district to end subsidence, which  
13 contributes to or precipitates flooding or overflow of the  
14 district, including rising water resulting from a storm or  
15 hurricane.

16 (b) The legislature intends that the district shall  
17 administer and enforce this chapter and exercise the district's  
18 rights, powers, and duties in a manner that will effectively and  
19 expeditiously accomplish the purpose of this chapter. (Water Code,  
20 Secs. 151.004(a), (b).)

21 Sec. 8801.004. FINDINGS OF BENEFIT AND PUBLIC  
22 PURPOSE. (a) The district is created to serve a public use and  
23 benefit.

24 (b) The works and projects accomplished by the district  
25 under powers conferred by Section 59, Article XVI, Texas  
26 Constitution, will benefit all the land and other property included  
27 in the district. (Water Code, Sec. 151.004(c).)

1           Sec. 8801.005. DISTRICT TERRITORY. The district includes  
2 the territory located within the boundaries of Harris County and  
3 Galveston County, as that territory may have been modified under:

4           (1) Section 8801.006 or its predecessor statute,  
5 former Section 151.003(b), Water Code;

6           (2) Subchapter J, Chapter 36, Water Code; or

7           (3) other law. (Water Code, Sec. 151.003(a); New.)

8           Sec. 8801.006. ADDITION OF ADJACENT COUNTY TO  
9 DISTRICT. (a) A county adjoining the district may be added to the  
10 district:

11           (1) on application by the commissioners court of the  
12 adjoining county; and

13           (2) by complying with the procedures provided by  
14 Subchapter K, Chapter 36, Water Code.

15           (b) A county added to the district under this section is  
16 subject to this chapter and the jurisdiction of the board. (Water  
17 Code, Sec. 151.003(b) (part).)

18           [Sections 8801.007-8801.050 reserved for expansion]

19           SUBCHAPTER B. DISTRICT ADMINISTRATION

20           Sec. 8801.051. DIRECTORS. (a) The district is governed  
21 by a board composed of 19 directors appointed as provided by this  
22 section. Directors serve for two-year, staggered terms. A  
23 director must be a qualified voter of the district.

24           (b) The mayor of the municipality with the largest  
25 population of any municipality in the district shall appoint six  
26 directors from that municipality. One of those directors must be a  
27 representative of industry.

1           (c) The mayor of the municipality with the second largest  
2 population of any municipality in the district shall appoint one  
3 director from that municipality.

4           (d) The mayors of all municipalities in Galveston County  
5 shall jointly appoint two directors from those municipalities.

6           (e) The mayor of Baytown shall appoint one director from the  
7 municipality of Baytown.

8           (f) The Commissioners Court of Harris County shall appoint  
9 three directors who are not residents of the municipality that has  
10 the largest population of any municipality in the district. One of  
11 those directors must be a representative of agriculture, one must  
12 be a representative of industry, and one must be a representative of  
13 municipal utility districts and a resident of a municipal utility  
14 district in the district.

15           (g) The Commissioners Court of Galveston County shall  
16 appoint three directors. One of those directors must be a  
17 representative of municipal utility districts and a resident of a  
18 municipal utility district in the district.

19           (h) The president of the Clear Lake City Water Authority and  
20 the mayors of the municipalities of Deer Park, Galena Park, La  
21 Porte, Nassau Bay, and Seabrook shall jointly appoint one director  
22 from Harris County.

23           (i) The mayors of the municipalities of West University  
24 Place, Southside Place, Bellaire, and Jacinto City shall jointly  
25 appoint one director from Harris County.

26           (j) The mayors of the municipalities of Humble, Piney Point  
27 Village, Hedwig Village, Bunker Hill Village, Hunters Creek

Village, Hilshire Village, and Spring Valley shall jointly appoint one director from Harris County. (Water Code, Sec. 151.031.)

Sec. 8801.052. APPOINTMENT OF DIRECTORS ON ADDITION OF COUNTY TO DISTRICT. (a) On addition of a county to the district under Section 8801.006, two directors are added to the board as follows:

(1) the commissioners court of the county added to the district shall appoint one director; and

(2) the mayor of the municipality that has the largest population in the added county shall appoint one director.

(b) The directors added to the board under Subsection (a) shall draw lots to establish staggered terms of office. (Water Code, Sec. 151.003(b) (part).)

Sec. 8801.053. BOARD POWERS AND DUTIES. In addition to the powers and duties described in this chapter, the board has all other powers necessary or convenient to carry out its responsibilities and accomplish the purpose of this chapter. (Water Code, Sec. 151.005(b) (part).)

Sec. 8801.054. OFFICERS. Each year, at the first meeting after the new directors take office, the directors shall select from among the directors a president, a vice president, and a secretary. (Water Code, Sec. 151.032(a).)

Sec. 8801.055. MEETINGS. The board shall hold regular meetings once each month at a time set by the board. The board may hold special meetings at the call of the president or on the written request of at least three directors. (Water Code, Sec. 151.034.)

Sec. 8801.056. VACANCIES. If a vacancy occurs on the board,

1 a person representing the same area as the vacating director shall  
2 be appointed as provided by Section 8801.051 to serve the unexpired  
3 term. (Water Code, Sec. 151.033.)

4 Sec. 8801.057. GENERAL MANAGER. (a) The board shall  
5 employ a general manager, who serves as the chief administrative  
6 officer of the district.

7 (b) The duties of the general manager include:

8 (1) administering board orders;

9 (2) coordinating with state, federal, and local  
10 agencies;

11 (3) overseeing development of district plans and  
12 programs; and

13 (4) performing other duties assigned by the board.

14 (c) The board shall determine the compensation and terms of  
15 office and employment for the general manager.

16 (d) The board by majority vote may discharge the general  
17 manager. (Water Code, Secs. 151.035(a) (part), (b), (c).)

18 Sec. 8801.058. EMPLOYEES; BOND. (a) The general manager  
19 shall employ persons necessary to properly handle district business  
20 and operation. The general manager may employ attorneys,  
21 bookkeepers, engineers, and other expert and specialized personnel  
22 considered necessary.

23 (b) The general manager shall determine the compensation  
24 paid to district employees.

25 (c) The general manager may discharge a district employee.

26 (d) The board shall require an employee who collects, pays,  
27 or handles district funds to furnish a good and sufficient bond.

1 The bond must be in an amount sufficient to safeguard the district  
2 and must be:

3 (1) payable to the district; and

4 (2) conditioned on the faithful performance of the  
5 employee's duties and on accounting for all district funds and  
6 property in the employee's hands.

7 (e) The district shall pay for the bond described by  
8 Subsection (d). (Water Code, Sec. 151.036.)

9 [Sections 8801.059-8801.100 reserved for expansion]

10 SUBCHAPTER C. POWERS AND DUTIES

11 Sec. 8801.101. DISTRICT POWERS AND DUTIES. (a) Except as  
12 provided by Sections 8801.102 and 8801.103, the district has all of  
13 the rights, powers, privileges, authority, functions, and duties  
14 provided by the general laws of this state, including Chapter 36,  
15 Water Code, that are applicable to groundwater conservation  
16 districts created under Section 59, Article XVI, Texas  
17 Constitution.

18 (b) This chapter prevails over any other law in conflict or  
19 inconsistent with this chapter. (Water Code, Secs. 151.005(a),  
20 (e).)

21 Sec. 8801.102. EXEMPTIONS. Sections 36.104, 36.114,  
22 36.117, and 36.201-36.204, Water Code, do not apply to the  
23 district. (Water Code, Sec. 151.005(c).)

24 Sec. 8801.103. SALE OR DISTRIBUTION OF WATER PROHIBITED.  
25 The district may not sell or distribute surface water or  
26 groundwater for any purpose. (Water Code, Sec. 151.005(d).)

27 Sec. 8801.104. AUTHORITY TO COMPEL TESTIMONY, ADMINISTER

1 OATHS, AND ISSUE SUBPOENAS. If necessary to carry out its powers,  
2 duties, and functions under this chapter, the board may:

- 3 (1) compel the testimony of a person;  
4 (2) administer an oath to a person compelled to  
5 testify before the board or a person designated by the board; and  
6 (3) issue a subpoena to compel the testimony of a  
7 person and the production of a document. (Water Code, Sec.  
8 151.073.)

9 Sec. 8801.105. REPRESENTATION BY ATTORNEY GENERAL. The  
10 attorney general shall defend the district in suits brought against  
11 the district in all district and appellate courts of this state and  
12 in the courts of the United States. (Water Code, Sec. 151.037(b).)

13 Sec. 8801.106. GRANTS; CONTRACTS. The district may make or  
14 accept a grant, gratuity, advance, or loan in any form to or from  
15 any public source approved by the board, including a governmental  
16 entity, and may enter into a contract, agreement, or covenant that  
17 the board considers appropriate in connection with a grant,  
18 gratuity, advance, or loan. (Water Code, Sec. 151.083(b).)

19 Sec. 8801.107. COOPERATION WITH GOVERNMENTAL ENTITIES. In  
20 implementing this chapter, the board may request the assistance of  
21 and cooperate with a local government or an agency of this state or  
22 of the United States. (Water Code, Sec. 151.083(a).)

23 Sec. 8801.108. RULES. (a) After notice and hearing, the  
24 board shall adopt rules designed to expeditiously and effectively  
25 implement this chapter and accomplish its purpose, including rules  
26 governing procedures before the board. The board shall enforce the  
27 rules.



1           (b) The board shall compile its rules in a book and make the  
2 rules available for use and inspection at the district's principal  
3 office. (Water Code, Sec. 151.071.)

4           Sec. 8801.109. HEARINGS. (a) Board hearings must be  
5 conducted as provided by this section and Section 8801.110.

6           (b) At a regular meeting of the board, the board shall set  
7 the dates, times, and locations for hearings to be held under this  
8 chapter. The board may hold hearings at any location in the  
9 district and may recess a hearing from day to day.

10          (c) A person may appear at a hearing and present testimony,  
11 evidence, exhibits, or other information in person or by counsel,  
12 or both.

13          (d) The board may use hearing examiners to hear a subject  
14 set for the hearing, but the board must make the decision on the  
15 subject. Procedures for use of hearing examiners shall be provided  
16 by rule. (Water Code, Secs. 151.072(a) (part), (b) (part), (f),  
17 (g), (h), (i).)

18          Sec. 8801.110. NOTICE OF HEARINGS. (a) Except as  
19 provided by this section, notice of hearings shall be provided  
20 according to Chapter 551, Government Code.

21          (b) At a meeting at which the board sets a hearing, the board  
22 shall direct the general manager of the district to give notice of  
23 the hearing.

24          (c) Written notice must be given to:

25               (1) each county and municipal government in the  
26 district; and

27               (2) each person that the board believes has an

1 interest in the subject matter of the hearing.

2 (d) Notice of a hearing must be published at least once in a  
3 newspaper of general circulation in each county in the district.

4 (e) A copy of the notice must be posted in the place where  
5 notices are usually posted at the county courthouse of each county  
6 in the district. (Water Code, Secs. 151.072(a) (part), (b) (part),  
7 (c), (d), (e).)

8 Sec. 8801.111. DISTRICT PLAN. (a) The board shall  
9 formulate a plan to control and prevent subsidence in the district.

10 (b) The plan must:

11 (1) reduce groundwater withdrawals to amounts that  
12 will restore and maintain sufficient artesian pressure to control  
13 and prevent subsidence; and

14 (2) specify in as much detail as practicable the acts,  
15 procedures, performance, and avoidance that are necessary to  
16 accomplish the purpose of this chapter.

17 (c) Information gathered for formulating the plan must  
18 include:

19 (1) a list of all wells in the district that are  
20 subject to regulation under this chapter;

21 (2) a list of all available sources of water, other  
22 than groundwater, in the district;

23 (3) the purposes for which the water described by  
24 Subdivision (2) is used and for which it is proposed to be used;

25 (4) accurate estimates of:

26 (A) groundwater withdrawal from all wells or  
27 proposed wells in the district;

1                   (B) the amount of groundwater that may be  
2 withdrawn from each area in the district without causing a  
3 reduction of artesian pressure that will lead to subsidence in the  
4 district; and

5                   (C) current and future water needs in the  
6 district;

7                   (5) information relating to formulating a permit  
8 system; and

9                   (6) other information and material necessary to manage  
10 groundwater in the district and to effectively and expeditiously  
11 accomplish the purpose of this chapter. (Water Code, Secs.  
12 151.074, 151.075(a).)

13           Sec. 8801.112. ADOPTION OF DISTRICT PLAN. (a) The board  
14 shall hold a hearing to consider a plan formulated under Section  
15 8801.111.

16           (b) After the hearing, the board shall:

17                   (1) make any changes it considers necessary according  
18 to evidence and material presented at the hearing; and

19                   (2) adopt the plan.

20           (c) The board may amend or repeal a plan adopted under this  
21 section and may adopt a new plan as provided by this section for the  
22 adoption of the original plan.

23           (d) An adopted plan remains in effect until a new plan is  
24 adopted. (Water Code, Secs. 151.075(b), (c), (d).)

25           Sec. 8801.113. WATER CONSERVATION MEASURES. (a) The  
26 board may adopt rules requiring the use of water conservation  
27 measures to reduce groundwater withdrawals.

1           (b) The district may cooperate with the commission and any  
2 local government to establish water conservation goals,  
3 guidelines, and plans to be used in the district.

4           (c) The district may contract with a local government in the  
5 district to provide services needed to meet water conservation  
6 requirements that the commission establishes. (Water Code, Sec.  
7 151.079.)

8           Sec. 8801.114. DISTRICT RESEARCH. The district may conduct  
9 studies and research that the board considers necessary to  
10 implement this chapter. In conducting studies and research, the  
11 district may use the services of geologists, hydrologists, licensed  
12 engineers, or other expert personnel. (Water Code, Sec. 151.082.)

13           Sec. 8801.115. STUDIES BY BOARD STAFF. At least once each  
14 year and at any other time the board considers necessary, the board  
15 shall have its staff and, if necessary, the staff of the Texas Water  
16 Development Board make a complete study of the groundwater in the  
17 district and determine:

18                   (1) the water level;

19                   (2) the rates and amounts of groundwater withdrawal;

20 and

21                   (3) other information relating to groundwater  
22 withdrawal that may effect subsidence in the district. (Water  
23 Code, Sec. 151.076.)

24           Sec. 8801.116. ACCESS TO PROPERTY. (a) To perform  
25 technical and other investigations needed to implement this  
26 chapter, the board and its agents and employees are entitled to  
27 access to all property in the district.

1 (b) Before entering property for the purposes of this  
2 section, the person seeking access shall:

3 (1) give notice to the owner of the property as  
4 provided by district rules; and

5 (2) present proper credentials.

6 (c) The board and its agents and employees who enter private  
7 property shall observe the establishment's rules concerning  
8 safety, internal security, and fire protection. (Water Code, Sec.  
9 151.038.)

10 Sec. 8801.117. ANNUAL GROUNDWATER WITHDRAWAL  
11 DETERMINATION. (a) Not later than March 31 of each year, the  
12 board shall hold a hearing to determine the effects of groundwater  
13 withdrawal during the preceding calendar year on subsidence in the  
14 district.

15 (b) At the hearing, the board shall consider information  
16 provided under Sections 8801.115 and 8801.162 and information  
17 presented by persons appearing before the board.

18 (c) After the hearing, the board shall:

19 (1) consider all information presented to it;

20 (2) determine groundwater withdrawal in the district  
21 during the preceding calendar year; and

22 (3) make findings on the effects of groundwater  
23 withdrawal during the preceding calendar year on subsidence in the  
24 district.

25 (d) The board's findings and determinations under  
26 Subsection (c) shall be included in a report adopted by the board.  
27 The board shall make the report available for examination by any

1 interested person. (Water Code, Sec. 151.077.)

2       Sec. 8801.118. MONITORING AND SUPERVISION BY DISTRICT. The  
3 district may use subsidence compaction monitors, water-level  
4 observation wells, and other materials and equipment to determine  
5 the amount of groundwater that may be withdrawn while allowing  
6 groundwater to rebound and stabilize to a level that will halt  
7 subsidence. (Water Code, Sec. 151.081.)

8       Sec. 8801.119. REGULATION OF SPACING AND GROUNDWATER  
9 WITHDRAWAL. (a) To minimize as far as practicable the drawdown of  
10 the water table and the reduction of artesian pressure and to  
11 control and prevent subsidence, the board may provide for the  
12 spacing of wells in the district and may regulate groundwater  
13 withdrawal from wells, taking into consideration the economic  
14 impact on well owners, the resulting effect on subsidence, and  
15 other relevant factors.

16       (b) Before issuing an order or rule under this section, the  
17 board shall set a hearing on the proposed order or rule. (Water  
18 Code, Sec. 151.078.)

19       Sec. 8801.120. WATER-METERING DEVICES. The board may  
20 require water-metering devices to be placed on wells in the  
21 district. (Water Code, Sec. 151.080.)

22       [Sections 8801.121-8801.150 reserved for expansion]

23               SUBCHAPTER D. REGULATORY PROVISIONS

24       Sec. 8801.151. GROUNDWATER WITHDRAWALS SUBJECT TO BOARD  
25 RULE. Groundwater withdrawals governed by this chapter are subject  
26 to reasonable board rules and orders, taking into account all  
27 factors, including availability of surface water, economic impact

1 on persons and the community, degree and effect of subsidence on the  
2 surface of land, and differing topographical and geophysical  
3 characteristics of land areas in the district. (Water Code, Sec.  
4 151.005(b) (part).)

5 Sec. 8801.152. CERTAIN WELLS EXEMPT. The regulatory  
6 provisions of this chapter do not apply to:

7 (1) a well regulated under Chapter 27, Water Code;

8 (2) a well with a casing diameter of less than five  
9 inches that serves a single-family dwelling; and

10 (3) any other well as provided by board rule. (Water  
11 Code, Sec. 151.084(a).)

12 Sec. 8801.153. RESTRICTION ON REQUIREMENTS FOR CERTAIN  
13 MUNICIPALITIES. The board may require a municipality with a  
14 population of less than 100,000 to reduce its groundwater  
15 withdrawal by more than 50 percent in a three-year period only if  
16 the board determines at a public hearing that the reduction:

17 (1) would not cause the municipality to have an  
18 inadequate supply of water for its residents; and

19 (2) would not cause an increase of 50 percent or more  
20 in water rates for the municipality or its residents. (Water Code,  
21 Sec. 151.126(f).)

22 Sec. 8801.154. WELL REGISTRATION. The board by rule may  
23 require the registration of any well in the district. (Water Code,  
24 Sec. 151.084(b).)

25 Sec. 8801.155. PERMIT REQUIRED. The owner or operator of a  
26 well located in the district must obtain a permit from the board  
27 before:

- 1 (1) drilling, equipping, or completing the well;
- 2 (2) substantially altering the size of the well or a
- 3 well pump; or
- 4 (3) operating the well. (Water Code, Secs.
- 5 151.002(4), 151.121.)

6 Sec. 8801.156. APPLICATION FOR PERMIT. (a) A person must  
7 submit an application to the board to obtain a permit under this  
8 chapter.

9 (b) The application must state:

- 10 (1) the name and address of the person requesting the
- 11 permit;
- 12 (2) the location and wellhead elevation of the well or
- 13 proposed well;
- 14 (3) the amount of water being withdrawn or proposed to
- 15 be withdrawn; and
- 16 (4) any other information necessary for the board to
- 17 control and prevent subsidence in the district.

18 (c) The board shall set a reasonable fee for processing an  
19 application. The application must be accompanied by the fee.  
20 (Water Code, Sec. 151.124.)

21 Sec. 8801.157. NOTICE AND HEARING ON PERMIT. (a) On  
22 receiving an application for a permit, the board shall issue notice  
23 and set a time for a hearing on the application.

24 (b) The board must give notice of the date, time, and  
25 location of the hearing to the applicant by certified mail, return  
26 receipt requested.

27 (c) The board may consider as many applications for permits



as necessary at a hearing. (Water Code, Sec. 151.125.)

Sec. 8801.158. ISSUANCE OF PERMIT. (a) Within a reasonable period after a permit hearing under Section 8801.157, but not later than the 60th day after the date of the hearing, the board shall:

(1) decide whether to issue the permit; and

(2) set the terms of the permit if it decides to issue the permit.

(b) In deciding whether to issue a permit and in setting the terms of the permit, the board shall consider:

(1) the purpose of this chapter;

(2) the district plan;

(3) the quality, quantity, and availability of surface water at prices that are competitive with prices charged by suppliers of surface water in the district;

(4) the economic impact on the applicant of a decision to issue or deny the permit, or of the permit terms, in relation to the effect on subsidence that would result;

(5) the applicant's use of water conservation measures; and

(6) all other relevant factors.

(c) The board shall issue a permit to an applicant if, on presentation of adequate proof, the board finds that:

(1) there is no other adequate and available substitute or supplemental source of surface water at prices competitive with the prices charged by suppliers of surface water in the district; and

1           (2) compliance with any provision of this chapter or  
2 any district rule will result in an arbitrary taking of property or  
3 in the practical closing and elimination of a lawful business,  
4 occupation, or activity without sufficient corresponding benefit  
5 or advantage to the public.

6           (d) The permit must state the terms prescribed by the board.  
7 The permit must include:

8           (1) the name and address of the person to whom the  
9 permit is issued;

10           (2) the location of the well;

11           (3) the date the permit expires;

12           (4) conditions and restrictions placed on groundwater  
13 withdrawal; and

14           (5) other terms necessary to control and prevent  
15 subsidence. (Water Code, Secs. 151.126(a), (b), (c), (d), (e).)

16           Sec. 8801.159. TERM OF PERMIT. (a) A permit issued under  
17 this chapter may be for a term not to exceed five years as set by the  
18 board.

19           (b) A permit does not become a vested right of the permit  
20 holder. The board may revoke or suspend a permit or amend its terms  
21 after notice and hearing when reasonably necessary to accomplish  
22 the purpose of this chapter. (Water Code, Sec. 151.122.)

23           Sec. 8801.160. RENEWAL OF PERMIT. The board may renew a  
24 permit for a well in the manner provided for obtaining the original  
25 permit. (Water Code, Sec. 151.123.)

26           Sec. 8801.161. PERMIT FEES. (a) When the board issues or  
27 renews a permit, the board shall collect a permit fee from the

1 applicant. The fee shall be determined by a schedule based on the  
2 term of the permit and the maximum annual amount of groundwater that  
3 the board authorizes to be withdrawn from the well.

4 (b) The board shall determine the amount of a permit fee  
5 after a hearing. The fee may not exceed 110 percent of the highest  
6 rate that the City of Houston charges for surface water supplied to  
7 its customers in the district.

8 (c) The amount of a permit fee applicable to a well used for  
9 irrigating agricultural crops is the lowest of:

10 (1) 70 percent of the lowest amount determined under  
11 Subsection (b);

12 (2) 70 percent of a base amount of one cent for each  
13 thousand gallons authorized to be withdrawn, except that the board  
14 may adjust the base amount annually to account for increases since  
15 1992 in the most recently published Consumer Price Index for All  
16 Urban Consumers, All Items (Houston, Texas, Average), as compiled  
17 by the Bureau of Labor Statistics, United States Department of  
18 Labor; or

19 (3) the amount determined in accordance with  
20 Subsection (d).

21 (d) At a hearing, the board shall calculate and express as a  
22 percentage the relative contribution to subsidence by wells used  
23 for irrigating agricultural crops and wells used for other  
24 purposes. The board shall use information prepared by the United  
25 States Geological Survey, which is presumed to be correct. The  
26 permit fee for wells used for irrigating agricultural crops must be  
27 such that the percentage of total permit fee revenue that permit fee

1 revenue from those wells represents equals the percentage that  
2 agricultural use contributes to subsidence.

3 (e) The board shall use permit fees collected under this  
4 section to pay the cost of issuing permits and performing other  
5 regulatory functions. (Water Code, Sec. 151.128.)

6 Sec. 8801.162. ANNUAL REPORT. Before January 31 each year,  
7 a well owner who holds a permit under this chapter shall submit to  
8 the board a report stating:

9 (1) the well owner's name;

10 (2) the total amount of groundwater withdrawn from the  
11 well during the preceding 12-month period;

12 (3) the total amount of groundwater withdrawn from the  
13 well during each month of the preceding 12-month period;

14 (4) the purpose for which the groundwater was used;  
15 and

16 (5) any other information the board considers  
17 necessary. (Water Code, Sec. 151.127.)

18 Sec. 8801.163. CONVERSION TO SURFACE WATER. (a) In this  
19 section, "alternative water supply" means a water supply that a  
20 person needs to acquire from sources other than the person's own  
21 groundwater supply to comply with a board order issued under this  
22 section.

23 (b) The board may issue an order requiring a person to  
24 completely or partially discontinue the use of groundwater only if  
25 the person is able to acquire a water supply composed of surface  
26 water needed to replace the water supply covered by the order.

27 (c) A notice of public hearing must inform a person when the

1 board will consider an order to convert to surface water.

2 (d) In addition to the percentage of groundwater that a  
3 board order authorizes a person to use, the person may use in the  
4 current permit year a percentage of groundwater that is equal to the  
5 percentage result of multiplying the annual average percentage of  
6 groundwater, as determined under Section 8801.164(d), delivered to  
7 the person during the preceding permit year by the total percentage  
8 of alternative water supply required by the board's order for the  
9 current year.

10 (e) This section does not limit the board's authority to  
11 issue an order or adopt a rule requiring a person to reduce  
12 groundwater use by eliminating waste or implementing water  
13 conservation. (Water Code, Secs. 151.129(a), (d) (part), (f),  
14 151.163(a) (part).)

15 Sec. 8801.164. MONITORING OF ALTERNATIVE WATER  
16 SUPPLY. (a) In this section, "alternative water supply" has the  
17 meaning assigned by Section 8801.163.

18 (b) If a person who is issued an order under Section  
19 8801.163 acquires an alternative water supply and files with the  
20 commission a written request for monitoring the supply, the  
21 commission shall monitor annually the water delivered to the person  
22 from the date of the request to the expiration of the annual permit  
23 to determine the percentage of the water that is surface water and  
24 the percentage that is groundwater.

25 (c) If required under Subsection (b) to monitor water  
26 deliveries, the commission shall monitor the deliveries at random  
27 times at all points of connection between the purchaser's and

1 seller's water systems. Samples taken through monitoring must be  
2 analyzed by water chemists employed by or contracting with the  
3 commission. The water chemist making each analysis shall issue a  
4 certified written analysis of the percentages of surface water and  
5 groundwater included in the sample.

6 (d) Not later than the 15th day after the last day of each  
7 permit year, the commission shall issue a certified written  
8 analysis based on all samples collected that states the annual  
9 average percentages of surface water and groundwater that the  
10 seller provided to the purchaser for the permit year.

11 (e) The commission shall make results of an analysis under  
12 this section available on request to the purchaser, seller, or  
13 board.

14 (f) The commission shall assess reasonable fees to cover the  
15 costs of water sampling and analysis under this section. The  
16 commission shall assess one-half of the fees to the purchaser and  
17 one-half to the seller. (Water Code, Secs. 151.129(b), (c), (d)  
18 (part), (e).)

19 [Sections 8801.165-8801.200 reserved for expansion]

20 SUBCHAPTER E. APPEAL AND ENFORCEMENT PROVISIONS

21 Sec. 8801.201. APPEAL OF SURFACE WATER RATES. (a) A  
22 person who is required to convert to surface water under this  
23 chapter and who purchases that water supply wholesale from a  
24 political subdivision as defined by Section 12.013(b), Water Code,  
25 may appeal to the commission the rates the political subdivision  
26 charges to the person. Chapter 12, Water Code, and rules adopted  
27 under that chapter apply to an appeal under this section.

1           (b) The commission shall hear the appeal not later than the  
2 180th day after the date the appeal is filed.

3           (c) The commission shall issue a final decision on the  
4 appeal not later than the 60th day after the date the hearing ends.  
5 (Water Code, Sec. 151.161.)

6           Sec. 8801.202. APPEAL OF DISTRICT ACTIONS. (a) A person  
7 who is adversely affected by a rule, order, or other official action  
8 of the district under this chapter, including a person residing in  
9 or owning real property in the district whose residence or real  
10 property is subsiding, may appeal the action in a district court in  
11 any county in the district. An appeal under this section must be  
12 filed not later than the 45th day after the date the action is  
13 taken.

14           (b) On a written request from a person residing in or owning  
15 real property in the district, the board shall make written  
16 findings and conclusions regarding a rule, order, or other official  
17 action of the district. The board shall provide certified copies of  
18 those findings and conclusions to the person not later than the 35th  
19 day after the date the board receives the request.

20           (c) An appeal under this section is governed by the  
21 substantial evidence rule as provided by Subchapter G, Chapter  
22 2001, Government Code. (Water Code, Sec. 151.162.)

23           Sec. 8801.203. ALTERNATIVE APPEAL OF CERTAIN DISTRICT  
24 ACTIONS TO COMMISSION. (a) As an alternative to the appeal  
25 procedure provided by Section 8801.202, a person who is granted a  
26 permit authorizing groundwater withdrawal in an amount less than  
27 the person requested may appeal the board's final decision to the

1 commission. The person must file the appeal not later than the 60th  
2 day after the date the board issues its final order.

3 (b) On a written request from a person proposing to appeal  
4 an order under this section, the board shall make written findings  
5 and conclusions regarding the order. The board shall provide  
6 certified copies of the findings and conclusions to the person not  
7 later than the 35th day after the date the board receives the  
8 request.

9 (c) The effect of a board order is stayed until the  
10 commission's decision on an appeal under this section is final.

11 (d) An appeal to the commission under this section is  
12 governed by the substantial evidence rule as provided by Subchapter  
13 G, Chapter 2001, Government Code.

14 (e) The commission may:

15 (1) adopt rules necessary to implement this section;  
16 and

17 (2) adopt and assess reasonable and necessary fees  
18 adequate to recover the commission's costs in administering this  
19 section.

20 (f) An appeal of a final commission decision is to a  
21 district court in Travis County. The appeal shall be under the  
22 substantial evidence rule. A party appealing a decision of the  
23 district court is not required to provide an appeal bond. (Water  
24 Code, Secs. 151.163(a) (part), (b), (c), (d), (e), (f) (part), (g),  
25 (h).)

26 Sec. 8801.204. INJUNCTIVE RELIEF; CIVIL PENALTY. (a) If  
27 it appears that a person has violated or is violating or threatening



1 to violate this chapter or a rule, permit, or other order of the  
2 district issued or adopted under this chapter, the district may  
3 institute an action in a district court in the district for:

4 (1) injunctive relief to restrain the person from  
5 continuing the violation or threat of violation;

6 (2) the assessment and recovery of a civil penalty of  
7 not less than \$50 and not more than \$5,000 for each violation and  
8 for each day of a continuing violation; or

9 (3) both injunctive relief and civil penalties.

10 (b) On application for injunctive relief and a finding that  
11 a person is violating or threatening to violate this chapter or a  
12 rule, permit, or other order of the district under this chapter, the  
13 district court shall grant injunctive relief as the facts warrant.

14 (c) At the request of the board, or the general manager if  
15 authorized by the board, the attorney general shall institute and  
16 conduct an action in the name of the district for injunctive relief  
17 or to recover a civil penalty, or both.

18 (d) The district is not required to post a bond or other  
19 security with the court. (Water Code, Sec. 151.164.)

20 [Chapters 8802-9000 reserved for expansion]

21 SUBTITLE I. WATER CONTROL AND IMPROVEMENT DISTRICTS

22 [Chapters 9001 and 9002 reserved for expansion]

23 CHAPTER 9003. AQUILLA-HACKBERRY CREEK

24 CONSERVATION DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 9003.001. DEFINITIONS

27 Sec. 9003.002. NATURE OF DISTRICT

1 Sec. 9003.003. LEGISLATIVE DECLARATION AND FINDINGS

2 Sec. 9003.004. DISTRICT TERRITORY

3 Sec. 9003.005. LIBERAL CONSTRUCTION OF CHAPTER

4 [Sections 9003.006-9003.050 reserved for expansion]

5 SUBCHAPTER B. ADMINISTRATION

6 Sec. 9003.051. BOARD

7 Sec. 9003.052. QUALIFICATIONS FOR OFFICE

8 Sec. 9003.053. BOND

9 Sec. 9003.054. ORDER FOR DIRECTORS ELECTION

10 Sec. 9003.055. NOTICE OF ELECTION

11 Sec. 9003.056. ELECTION RESULTS

12 Sec. 9003.057. PETITION

13 Sec. 9003.058. COMPENSATION

14 Sec. 9003.059. APPOINTMENT OF SECRETARY AND TREASURER

15 Sec. 9003.060. VOTE BY BOARD PRESIDENT

16 Sec. 9003.061. EMPLOYEES

17 Sec. 9003.062. DISTRICT SEAL

18 [Sections 9003.063-9003.100 reserved for expansion]

19 SUBCHAPTER C. POWERS AND DUTIES

20 Sec. 9003.101. GENERAL POWERS

21 Sec. 9003.102. SURVEYS; ENGINEERING INVESTIGATIONS

22 Sec. 9003.103. EXPENDITURES

23 Sec. 9003.104. LIMITATION ON EMINENT DOMAIN

24 Sec. 9003.105. COST OF RELOCATING PROPERTY

25 [Sections 9003.106-9003.150 reserved for expansion]

26 SUBCHAPTER D. TAXES AND BONDS

27 Sec. 9003.151. AUTHORITY TO IMPOSE TAX; TAX ELECTIONS

1 Sec. 9003.152. TAX LIEN

2 Sec. 9003.153. ISSUANCE OF BONDS

3 Sec. 9003.154. TAX STATUS OF BONDS

4 CHAPTER 9003. AQUILLA-HACKBERRY CREEK

5 CONSERVATION DISTRICT

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 9003.001. DEFINITIONS. In this chapter:

8 (1) "Board" means the board of directors of the  
9 district.

10 (2) "District" means the Aquilla-Hackberry Creek  
11 Conservation District. (V.A.C.S. Art. 8280-222, Sec. 1 (part);  
12 New.)

13 Sec. 9003.002. NATURE OF DISTRICT. The district is a  
14 conservation and reclamation district and a political subdivision  
15 created under Section 59, Article XVI, Texas Constitution.  
16 (V.A.C.S. Art. 8280-222, Sec. 1 (part).)

17 Sec. 9003.003. LEGISLATIVE DECLARATION AND  
18 FINDINGS. (a) The legislature declares that:

19 (1) the district is essential to accomplish the  
20 purposes of Section 59, Article XVI, Texas Constitution; and

21 (2) this chapter addresses a subject in which the  
22 state and general public are interested.

23 (b) The legislature finds that:

24 (1) all land included in the district will be  
25 benefited; and

26 (2) the district is created to serve a public use and  
27 benefit. (V.A.C.S. Art. 8280-222, Secs. 3 (part), 10 (part).)

1           Sec. 9003.004. DISTRICT TERRITORY.       The district is  
2 composed of the territory described by Section 3, Chapter 183, Acts  
3 of the 56th Legislature, Regular Session, 1959 (Article 8280-222,  
4 Vernon's Texas Civil Statutes), as that territory may have been  
5 modified under:

6                   (1) Subchapter O, Chapter 51, Water Code, before  
7 September 1, 1995;

8                   (2) Subchapter J, Chapter 49, Water Code; or

9                   (3) other law. (New.)

10          Sec. 9003.005. LIBERAL CONSTRUCTION OF CHAPTER.   This  
11 chapter shall be liberally construed to accomplish its purposes.  
12 (V.A.C.S. Art. 8280-222, Sec. 10 (part).)

13           [Sections 9003.006-9003.050 reserved for expansion]

14                               SUBCHAPTER B. ADMINISTRATION

15          Sec. 9003.051. BOARD.       The board consists of five  
16 directors. (V.A.C.S. Art. 8280-222, Sec. 4(a) (part).)

17          Sec. 9003.052. QUALIFICATIONS FOR OFFICE.   A director of  
18 the district must be:

19                   (1) at least 21 years of age;

20                   (2) a resident of the state; and

21                   (3) the owner of taxable property in the district.

22 (V.A.C.S. Art. 8280-222, Sec. 4(a) (part).)

23          Sec. 9003.053. BOND.   Each director shall make bond in the  
24 amount of \$5,000 for the faithful performance of the director's  
25 duties. (V.A.C.S. Art. 8280-222, Sec. 4(a) (part).)

26          Sec. 9003.054. ORDER FOR DIRECTORS ELECTION.   The election  
27 order for a directors election shall state the time, place, and

1 purpose of the election. (V.A.C.S. Art. 8280-222, Sec. 4(c)  
2 (part).)

3 Sec. 9003.055. NOTICE OF ELECTION. Notice of the directors  
4 election shall be published two times in a newspaper of general  
5 circulation in the district at least 30 days before the election.  
6 (V.A.C.S. Art. 8280-222, Sec. 4(c) (part).)

7 Sec. 9003.056. ELECTION RESULTS. (a) The candidate  
8 receiving the highest number of votes for a position shall be  
9 declared elected as a director of the district.

10 (b) The board shall enter an order declaring the results of  
11 the election. (V.A.C.S. Art. 8280-222, Sec. 4(c) (part).)

12 Sec. 9003.057. PETITION. (a) Any candidate for director  
13 may have the candidate's name printed on the ballot by submitting a  
14 petition signed by at least 25 persons qualified to vote at the  
15 election.

16 (b) The petition must be presented to the secretary of the  
17 board not later than the 21st day before the date of the election.  
18 (V.A.C.S. Art. 8280-222, Sec. 4(d).)

19 Sec. 9003.058. COMPENSATION. (a) Unless the board by  
20 resolution increases the fee to an amount authorized by Section  
21 49.060, Water Code, a director is entitled to receive an amount  
22 determined by the board, not to exceed \$40 a day, for:

23 (1) each day the director attends a meeting of the  
24 board; or

25 (2) each day the director otherwise devotes to the  
26 business of the district.

27 (b) A director is entitled to reimbursement for actual

1 expenses incurred in attending to district business, provided the  
2 service and expense are expressly approved by the board. (V.A.C.S.  
3 Art. 8280-222, Sec. 4(f).)

4 Sec. 9003.059. APPOINTMENT OF SECRETARY AND TREASURER. The  
5 board shall appoint a secretary and a treasurer. The board may  
6 combine the offices of secretary and treasurer. The secretary or  
7 treasurer is not required to be a director. (V.A.C.S.  
8 Art. 8280-222, Sec. 4(g) (part).)

9 Sec. 9003.060. VOTE BY BOARD PRESIDENT. The president has  
10 the same right to vote as any other director. (V.A.C.S.  
11 Art. 8280-222, Sec. 4(g) (part).)

12 Sec. 9003.061. EMPLOYEES. The board may employ a general  
13 manager, attorneys, accountants, engineers, or other technical or  
14 nontechnical employees or assistants and set the amount and manner  
15 of their compensation. (V.A.C.S. Art. 8280-222, Sec. 4(h) (part).)

16 Sec. 9003.062. DISTRICT SEAL. The board may adopt a seal  
17 for the district. (V.A.C.S. Art. 8280-222, Sec. 4(g) (part).)

18 [Sections 9003.063-9003.100 reserved for expansion]

19 SUBCHAPTER C. POWERS AND DUTIES

20 Sec. 9003.101. GENERAL POWERS. (a) The district has all  
21 the rights, powers, and privileges granted water control and  
22 improvement districts by:

23 (1) Chapter 51, Water Code; and

24 (2) other laws relating to water control and  
25 improvement districts.

26 (b) To the extent a general law described by Subsection (a)  
27 conflicts or is inconsistent with this chapter, this chapter

1 prevails.

2 (c) In addition to powers granted the district under other  
3 law, the district has the power to:

4 (1) control, store, conserve, protect, distribute,  
5 and use the storm and flood waters in the district for all useful  
6 purposes permitted by law;

7 (2) implement flood prevention and control measures in  
8 the district and prevent or aid in preventing damage to district  
9 lands and the soil and fertility of those lands;

10 (3) receive and accept technical and financial  
11 assistance from other districts or state agencies or from the  
12 United States to accomplish district purposes; and

13 (4) purchase, construct, maintain, or in any other  
14 manner acquire, provide, and develop all works, facilities,  
15 improvements, lands, easements, and properties that may be  
16 necessary or useful in fulfilling any purpose of the district.  
17 (V.A.C.S. Art. 8280-222, Secs. 2 (part), 4(a) (part).)

18 Sec. 9003.102. SURVEYS; ENGINEERING INVESTIGATIONS. The  
19 board may conduct or provide for surveys and engineering  
20 investigations for district purposes. (V.A.C.S. Art. 8280-222,  
21 Sec. 4(h) (part).)

22 Sec. 9003.103. EXPENDITURES. The board may provide for the  
23 payment of expenditures considered essential to the proper  
24 maintenance of the district and its business. (V.A.C.S.  
25 Art. 8280-222, Sec. 4(h) (part).)

26 Sec. 9003.104. LIMITATION ON EMINENT DOMAIN. The  
27 district's powers of eminent domain are limited to Hill and

McLennan counties. (V.A.C.S. Art. 8280-222, Sec. 9 (part).)

Sec. 9003.105. COST OF RELOCATING PROPERTY. If the district's exercise of eminent domain or of another power granted by this chapter makes necessary relocating, raising, rerouting, changing the grade of, or altering the construction of any highway, railroad, electric transmission line, telephone or telegraph properties and facilities, or pipeline, all the necessary relocating, raising, rerouting, changing of grade, or alteration of construction shall be accomplished at the sole expense of the district. (V.A.C.S. Art. 8280-222, Sec. 9 (part).)

[Sections 9003.106-9003.150 reserved for expansion]

#### SUBCHAPTER D. TAXES AND BONDS

Sec. 9003.151. AUTHORITY TO IMPOSE TAX; TAX ELECTIONS. (a) If authorized at an election under Section 49.107, Water Code, the district may impose annual ad valorem taxes to provide funds:

(1) necessary to construct or acquire, maintain, and operate works, plants, and facilities considered essential or beneficial to the district and its purposes; or

(2) adequate to defray the cost of the maintenance, operation, and administration of the district.

(b) Elections for the imposition of taxes shall be:

(1) ordered by the board; and

(2) held and conducted in the manner provided by general law relating to elections for the authorization of bonds of water control and improvement districts.

(c) In calling an election for taxes authorized by



1 Subsection (a), the board shall specify the maximum tax rate. A tax  
2 in excess of that amount may not be imposed without submitting the  
3 question of the increased rate to the voters. (V.A.C.S.  
4 Art. 8280-222, Secs. 3 (part), 5 (part).)

5 Sec. 9003.152. TAX LIEN. All taxes imposed by the district  
6 for any purpose constitute a lien on the property taxed. Limitation  
7 does not bar the enforcement or collection of those taxes.  
8 (V.A.C.S. Art. 8280-222, Sec. 5 (part).)

9 Sec. 9003.153. ISSUANCE OF BONDS. (a) To accomplish  
10 district purposes, the board may borrow money and issue bonds in the  
11 manner provided by general law.

12 (b) In the resolution authorizing the bonds, the district  
13 may set aside an amount from the bond proceeds for:

14 (1) the payment of interest expected to accrue during  
15 construction; and

16 (2) a reserve interest and sinking fund.

17 (c) Bond proceeds may be used to pay all expenses  
18 necessarily incurred in accomplishing district purposes, including  
19 the expenses of issuing and selling the bonds.

20 (d) Pending the use of bond proceeds for the purpose for  
21 which the bonds were issued, the board may invest the proceeds in  
22 obligations of or guaranteed by the United States.

23 (e) Bonds payable wholly from the district's net revenue,  
24 from the proceeds of any water contracts, or from any source other  
25 than ad valorem taxes may be issued pursuant to a board resolution  
26 without a hearing or election. The resolution must be authorized by  
27 unanimous vote of all directors. (V.A.C.S. Art. 8280-222, Sec. 6

(part).)

Sec. 9003.154. TAX STATUS OF BONDS. All bonds issued by the district, the transfer of the bonds, and the income from the bonds, including profits from the sale of the bonds, may not be taxed by the state or by any municipal corporation, county, or other political subdivision or taxing district of the state. (V.A.C.S. Art. 8280-222, Sec. 8.)

[Chapters 9004-9300 reserved for expansion]

SUBTITLE J. WATER IMPROVEMENT DISTRICTS

CHAPTER 9301. CAMERON COUNTY WATER IMPROVEMENT DISTRICT

NUMBER TEN

Sec. 9301.001. DEFINITION

Sec. 9301.002. NATURE OF DISTRICT

Sec. 9301.003. PURPOSE

Sec. 9301.004. DISTRICT TERRITORY

Sec. 9301.005. LEGISLATIVE FINDINGS

Sec. 9301.006. GOVERNING LAW; POWERS AND DUTIES

Sec. 9301.007. BOARD OF DIRECTORS

CHAPTER 9301. CAMERON COUNTY WATER IMPROVEMENT DISTRICT

NUMBER TEN

Sec. 9301.001. DEFINITION. In this chapter, "district" means the Cameron County Water Improvement District Number Ten. (New.)

Sec. 9301.002. NATURE OF DISTRICT. The district is a conservation and reclamation district created under Section 59, Article XVI, Texas Constitution. (Acts 41st Leg., 1st C.S., Ch. 110, Sec. 1 (part).)

1           Sec. 9301.003. PURPOSE. The purposes of the district are:

2           (1) to reclaim and irrigate the district's arid,  
3 semiarid, and other lands needing irrigation;

4           (2) to reclaim and drain the district's overflowed  
5 lands and other lands needing drainage; and

6           (3) all other purposes under Section 59, Article XVI,  
7 Texas Constitution. (Acts 41st Leg., 1st C.S., Ch. 110, Sec. 1  
8 (part).)

9           Sec. 9301.004. DISTRICT TERRITORY. The district is  
10 composed of the territory described by Section 1, Chapter 110, Acts  
11 of the 41st Legislature, 1st Called Session, 1929, as that  
12 territory may have been modified under:

13           (1) Chapter 2, Title 128, Revised Statutes, before  
14 August 30, 1971;

15           (2) Chapter 55, Water Code, before September 1, 1995;

16           (3) Subchapter J, Chapter 49, Water Code; or

17           (4) other law. (New.)

18           Sec. 9301.005. LEGISLATIVE FINDINGS. The legislature  
19 determines that:

20           (1) all property within the boundaries of the district  
21 is benefited by the creation of the district;

22           (2) no property not benefited by the creation of the  
23 district is included in the district's boundaries; and

24           (3) the district is essential to accomplish the  
25 purposes of Section 59, Article XVI, Texas Constitution. (Acts  
26 41st Leg., 1st C.S., Ch. 110, Secs. 1 (part), 11 (part).)

27           Sec. 9301.006. GOVERNING LAW; POWERS AND DUTIES. (a) The

1 district is governed by Chapters 49 and 55, Water Code.

2 (b) The district has the rights, powers, privileges,  
3 duties, and functions of a water improvement district under the  
4 Texas Constitution and general law, including Chapters 49 and 55,  
5 Water Code. (Acts 41st Leg., 1st C.S., Ch. 110, Secs. 1 (part), 2,  
6 11 (part).)

7 Sec. 9301.007. BOARD OF DIRECTORS. (a) The board  
8 consists of five directors.

9 (b) A director must meet the qualifications for a director  
10 under Chapter 55, Water Code. (Acts 41st Leg., 1st C.S., Ch. 110,  
11 Sec. 3 (part).)

12 [Chapters 9302-9500 reserved for expansion]

13 SUBTITLE K. SEAWALL COMMISSIONS

14 CHAPTER 9501. SEAWALL COMMISSION IN MATAGORDA COUNTY

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 9501.001. DEFINITIONS

17 Sec. 9501.002. AUTHORITY TO ESTABLISH COMMISSION

18 Sec. 9501.003. JURISDICTION

19 Sec. 9501.004. LAWSUITS

20 [Sections 9501.005-9501.050 reserved for expansion]

21 SUBCHAPTER B. COMMISSION

22 Sec. 9501.051. COMMISSION; TERMS

23 Sec. 9501.052. APPOINTMENT OF MEMBERS; VACANCY

24 Sec. 9501.053. ELIGIBILITY FOR APPOINTMENT

25 Sec. 9501.054. OATH

26 Sec. 9501.055. BOND

27 Sec. 9501.056. PRESIDING OFFICER

1    Sec. 9501.057.    COMPENSATION; CERTIFIED REPORT

2    Sec. 9501.058.    REMOVAL FROM OFFICE

3    Sec. 9501.059.    TREASURER

4    Sec. 9501.060.    AUDITOR

5    Sec. 9501.061.    EMPLOYMENT OF ATTORNEY

6                    [Sections 9501.062-9501.100 reserved for expansion]

7                    SUBCHAPTER C.   POWERS AND DUTIES

8    Sec. 9501.101.    COMMISSION POWERS

9    Sec. 9501.102.    AUTHORITY TO CONTRACT

10   Sec. 9501.103.    PURCHASING AND CONTRACTING

11   Sec. 9501.104.    ANNUAL REPORT REQUIRED

12   Sec. 9501.105.    CONDEMNATION PROCEEDINGS

13                    [Sections 9501.106-9501.150 reserved for expansion]

14                    SUBCHAPTER D.   FINANCIAL PROVISIONS

15   Sec. 9501.151.    AD VALOREM TAX

16   Sec. 9501.152.    ASSESSMENT AND COLLECTION OF TAXES

17   Sec. 9501.153.    DISBURSEMENT OF FUNDS

18                    CHAPTER 9501.   SEAWALL COMMISSION IN MATAGORDA COUNTY

19                    SUBCHAPTER A.   GENERAL PROVISIONS

20                    Sec. 9501.001.    DEFINITIONS.   In this chapter:

21                    (1) "Commission"   means   a   seawall   commission  
22   established under Section 9501.002.

23                    (2) "Commissioners court" means the Commissioners  
24   Court of Matagorda County. (New.)

25                    Sec. 9501.002.    AUTHORITY TO ESTABLISH COMMISSION. (a) The  
26   commissioners court and the governing body of a municipality in  
27   Matagorda County by resolution may establish a seawall commission

1 to perform the functions described by Section 421.002, Local  
2 Government Code.

3 (b) A resolution authorized by Subsection (a) must specify  
4 the date on which the commission is established. (Loc. Gov. Code,  
5 Secs. 421.021(a), (b).)

6 Sec. 9501.003. JURISDICTION. (a) Except as provided by  
7 Subsection (b), the commission has jurisdiction only in county  
8 commissioners precinct number three in Matagorda County, as that  
9 precinct existed on December 31, 1959.

10 (b) The commission does not have jurisdiction in the  
11 municipality of Bay City. (Loc. Gov. Code, Sec. 421.021(c).)

12 Sec. 9501.004. LAWSUITS. The commission may sue and be sued  
13 in a court in this state. (Loc. Gov. Code, Sec. 421.023(h).)

14 [Sections 9501.005-9501.050 reserved for expansion]

15 SUBCHAPTER B. COMMISSION

16 Sec. 9501.051. COMMISSION; TERMS. The commission is  
17 composed of three members appointed for staggered terms of six  
18 years, with one member's term expiring every two years. (Loc. Gov.  
19 Code, Sec. 421.022(a).)

20 Sec. 9501.052. APPOINTMENT OF MEMBERS; VACANCY. (a) The  
21 members of the commission shall be appointed as follows:

22 (1) one member by the commissioners court;

23 (2) one member by the governing body of the  
24 municipality; and

25 (3) one member by the commissioners court and the  
26 governing body of the municipality, acting jointly.

27 (b) On expiration of a member's term of office, the office

1 shall be filled by the authority that originally appointed the  
2 member.

3 (c) If a vacancy occurs during the term, it shall be filled  
4 for the remainder of the term by the original appointing authority.  
5 (Loc. Gov. Code, Sec. 421.022(b).)

6 Sec. 9501.053. ELIGIBILITY FOR APPOINTMENT. To be eligible  
7 for appointment as a member of the commission, a person must own  
8 real property in and be a qualified voter of the area in which the  
9 commission has jurisdiction. (Loc. Gov. Code, Sec. 421.022(c).)

10 Sec. 9501.054. OATH. (a) Before assuming the duties of  
11 office, each member must:

12 (1) take the constitutional oath of office and swear  
13 in writing before the county judge that the member will faithfully  
14 and impartially discharge the duties of the office; and

15 (2) on the request of the commissioners court or the  
16 governing body of the municipality, give an account of the member's  
17 activities.

18 (b) The clerk of the county court shall file and maintain  
19 the oath of office as part of the records of the commission. (Loc.  
20 Gov. Code, Secs. 421.0221(a), (b).)

21 Sec. 9501.055. BOND. Each member of the commission shall  
22 execute a bond in the amount of \$1,000 that is:

23 (1) payable to the county judge for the benefit of the  
24 commission; and

25 (2) conditioned on the faithful performance of the  
26 member's official duties. (Loc. Gov. Code, Sec. 421.0221(c).)

27 Sec. 9501.056. PRESIDING OFFICER. (a) The members of the

1 commission shall annually elect one member as presiding officer.

2 (b) The presiding officer shall:

3 (1) preside over commission meetings; and

4 (2) sign each contract, warrant, or other instrument  
5 made or issued by the commission. (Loc. Gov. Code, Sec.  
6 421.022(e).)

7 Sec. 9501.057. COMPENSATION; CERTIFIED REPORT. (a) The  
8 commissioners court and the governing body of the municipality by  
9 order or resolution shall set the compensation of members of the  
10 commission. The amount of compensation for each member may not  
11 exceed \$50 for each day that the member attends an official meeting  
12 of the commission. The total amount of compensation for each member  
13 each month may not exceed \$300.

14 (b) Each member shall submit to the county auditor for each  
15 pay period a certified report that describes in detail each time the  
16 member attended an official meeting of the commission. The report  
17 must be submitted on a date prescribed by the commissioners court  
18 and the governing body of the municipality. (Loc. Gov. Code, Secs.  
19 421.0221(d), (e).)

20 Sec. 9501.058. REMOVAL FROM OFFICE. The commissioners  
21 court and the governing body of the municipality, by a majority vote  
22 in a joint session, may remove a member of the commission from  
23 office only for malfeasance. (Loc. Gov. Code, Sec. 421.022(d).)

24 Sec. 9501.059. TREASURER. The county treasurer of  
25 Matagorda County shall serve as treasurer of the commission. (Loc.  
26 Gov. Code, Sec. 421.022(f).)

27 Sec. 9501.060. AUDITOR. The county auditor for Matagorda



County is the auditor for the commission. (Loc. Gov. Code, Sec. 421.024(b).)

Sec. 9501.061. EMPLOYMENT OF ATTORNEY. The commission may employ an attorney for legal services required by the commission. (Loc. Gov. Code, Sec. 421.023(j).)

[Sections 9501.062-9501.100 reserved for expansion]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 9501.101. COMMISSION POWERS. The commission may exercise the authority granted to a county or municipality under Section 421.002, 421.003, 421.004, or 421.005 or Section 421.011(a) or (b), Local Government Code. (Loc. Gov. Code, Sec. 421.023(g).)

Sec. 9501.102. AUTHORITY TO CONTRACT. The commission may enter into a contract relating to the performance of any function described by Section 421.002, Local Government Code. (Loc. Gov. Code, Sec. 421.023(e).)

Sec. 9501.103. PURCHASING AND CONTRACTING. The commission, in the performance of functions under this chapter, has the same powers granted to a county under Subchapter C, Chapter 262, and Chapter 271, Local Government Code, and is subject to the same requirements imposed on a county under those provisions. (Loc. Gov. Code, Sec. 421.025.)

Sec. 9501.104. ANNUAL REPORT REQUIRED. The commission shall annually submit a report to the commissioners court and the governing body of the municipality. The report must:

(1) describe the commission's financial condition and operations during the preceding year;

(2) propose a budget for the following year; and

1           (3) describe generally the work proposed for the  
2 following year. (Loc. Gov. Code, Sec. 421.023(d).)

3           Sec. 9501.105. CONDEMNATION PROCEEDINGS.           (a)       A  
4 condemnation proceeding brought by the commission must be brought  
5 in the name of the commission and under the direction of the  
6 commission.

7           (b) An appeal from a finding and assessment of damages as  
8 provided by Chapter 21, Property Code, does not suspend work of the  
9 commission. (Loc. Gov. Code, Sec. 421.023(i).)

10           [Sections 9501.106-9501.150 reserved for expansion]

11                       SUBCHAPTER D. FINANCIAL PROVISIONS

12           Sec. 9501.151. AD VALOREM TAX. (a) The commission may  
13 impose an ad valorem tax on real property within the commission's  
14 jurisdiction.

15           (b) The commission shall determine the tax rate, which may  
16 not exceed 10 cents for each \$100 valuation of property.

17           (c) Revenue from the tax may be used only to pay for  
18 functions of the commission. (Loc. Gov. Code, Secs. 421.023(a),  
19 (b), (c).)

20           Sec. 9501.152. ASSESSMENT AND COLLECTION OF TAXES. The  
21 county tax assessor and collector shall assess and collect taxes  
22 imposed by the commission in the manner provided by law for the  
23 assessment and collection of county taxes. (Loc. Gov. Code, Sec.  
24 421.024(a).)

25           Sec. 9501.153. DISBURSEMENT OF FUNDS. The commission may  
26 disburse funds set aside by the commissioners court and the  
27 governing body of the municipality for the performance of the

commission's functions. (Loc. Gov. Code, Sec. 421.023(f).)

[Chapters 9502-11000 reserved for expansion]

SUBTITLE X. DISTRICTS WITH COMBINED POWERS

CHAPTER 11001. ROAD DISTRICT AUTHORITY OF BASTROP COUNTY WATER

CONTROL AND IMPROVEMENT DISTRICT NO. 2

Sec. 11001.001. DEFINITIONS

Sec. 11001.002. ROAD DISTRICT POWERS AND DUTIES

Sec. 11001.003. MASTER PLAN APPROVAL AND ADOPTION

Sec. 11001.004. MASTER PLAN CONTENT

Sec. 11001.005. MASTER PLAN IMPLEMENTATION

Sec. 11001.006. MASTER PLAN ANNUAL HEARING

Sec. 11001.007. MONTHLY CHARGES

Sec. 11001.008. CITY OR COUNTY APPROVAL OF PLANS AND

SPECIFICATIONS

Sec. 11001.009. INSPECTIONS, SAMPLING, AND TESTING

Sec. 11001.010. CONVEYANCE OF IMPROVEMENTS

Sec. 11001.011. ADDITIONAL POWERS

Sec. 11001.012. REPORT TO CERTAIN LEGISLATORS

Sec. 11001.013. TERMINATION OF ROAD DISTRICT AUTHORITY;

DISTRIBUTION OF DISTRICT MONEY

CHAPTER 11001. ROAD DISTRICT AUTHORITY OF BASTROP COUNTY

WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

Sec. 11001.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "District" means the Bastrop County Water Control and Improvement District No. 2. (Acts 75th Leg., R.S., Ch. 47,

1 Secs. 1(1), (4).)

2 Sec. 11001.002. ROAD DISTRICT POWERS AND DUTIES. (a) The  
3 district has all of the rights, powers, privileges, functions,  
4 responsibilities, and duties that general law grants a road  
5 district created under Section 52, Article III, Texas Constitution.

6 (b) The board, within the district's boundaries, may  
7 exercise the powers that the commissioners court of a county may  
8 exercise under Chapter 257, Transportation Code, to the extent that  
9 chapter can be applied.

10 (c) To the extent this chapter conflicts with general law,  
11 this chapter controls. (Acts 75th Leg., R.S., Ch. 47, Sec. 2.)

12 Sec. 11001.003. MASTER PLAN APPROVAL AND  
13 ADOPTION. (a) The district shall adopt a master plan for all road  
14 improvements.

15 (b) The district shall submit the master plan to the  
16 governing bodies of the City of Bastrop and Bastrop County before  
17 the plan is adopted.

18 (c) The district may not adopt the master plan until the  
19 plan is approved by the governing body of:

20 (1) the City of Bastrop, for improvements to be made in  
21 the city's jurisdiction; and

22 (2) Bastrop County, for improvements to be made in the  
23 county's jurisdiction.

24 (d) Not later than the 61st day after the date the  
25 applicable governing body receives the master plan, the governing  
26 body shall review the plan and present the district with any  
27 proposed revisions necessary to obtain the governing body's

1 approval of the plan.

2 (e) The district shall review proposed plan revisions at a  
3 public hearing held for that purpose.

4 (f) The district must adopt the master plan at a public  
5 hearing. (Acts 75th Leg., R.S., Ch. 47, Secs. 3(a) (part), 4.)

6 Sec. 11001.004. MASTER PLAN CONTENT. The master plan must  
7 include:

8 (1) a map of the district boundaries that shows:

9 (A) the proposed improvements; and

10 (B) how the proposed improvements would connect  
11 to other entities' road and drainage systems; and

12 (2) a written plan that contains:

13 (A) general objectives for the proposed  
14 improvements;

15 (B) the sequence of the improvements;

16 (C) the estimated date of completion of each  
17 phase of the proposed improvements;

18 (D) the estimated cost of each phase of the  
19 proposed improvements;

20 (E) an analysis of the district's projected  
21 revenues compared with the projected costs; and

22 (F) a proposed timetable for completion of the  
23 proposed improvements. (Acts 75th Leg., R.S., Ch. 47, Sec. 3(b).)

24 Sec. 11001.005. MASTER PLAN IMPLEMENTATION. The district  
25 shall make all road improvements in accordance with the master  
26 plan. (Acts 75th Leg., R.S., Ch. 47, Sec. 3(a) (part).)

27 Sec. 11001.006. MASTER PLAN ANNUAL HEARING. The district

1 shall conduct an annual public hearing on revisions to the master  
2 plan to inform the public and provide opportunity for public  
3 comment. (Acts 75th Leg., R.S., Ch. 47, Sec. 5.)

4 Sec. 11001.007. MONTHLY CHARGES. (a) The board may  
5 impose a monthly charge of five dollars for each developed or  
6 undeveloped lot, tract, or reserve in the district.

7 (b) Money received from the monthly charge must be used for  
8 constructing, maintaining, or repairing public streets or roadways  
9 in the district.

10 (c) Of the money received under Subsection (a):

11 (1) not more than 10 percent may be used for  
12 administrative purposes; and

13 (2) not more than 15 percent may be used for road  
14 maintenance. (Acts 75th Leg., R.S., Ch. 47, Sec. 6.)

15 Sec. 11001.008. CITY OR COUNTY APPROVAL OF PLANS AND  
16 SPECIFICATIONS. (a) The district shall submit for the approval  
17 of the governing body of the City of Bastrop or Bastrop County, as  
18 appropriate, all road plans and specifications before the district  
19 begins construction.

20 (b) The plans and specifications are considered approved if  
21 the governing body to which they are presented does not by  
22 resolution disapprove of them before the 22nd day after the date on  
23 which they are presented.

24 (c) In reviewing plans or specifications for construction  
25 in a subdivision, the City of Bastrop or Bastrop County shall  
26 generally apply, as a minimum standard, the standard the city or  
27 county applied to review similar plans or specifications at the

1 time the subdivision was created. If the plans or specifications  
2 exceed that minimum standard, the standard for approval shall be  
3 based on good engineering practices related to subjects such as  
4 vehicle and pedestrian safety, soil and terrain variables,  
5 watershed impacts, projected traffic use, and future maintenance  
6 requirements. (Acts 75th Leg., R.S., Ch. 47, Sec. 8.)

7 Sec. 11001.009. INSPECTIONS, SAMPLING, AND TESTING.

8 (a) The City of Bastrop or Bastrop County may:

9 (1) perform reasonable inspections, gather and test  
10 samples, and perform other testing; or

11 (2) require the district or the contractor for the  
12 work to perform reasonable inspections, gather and test samples,  
13 and perform other testing.

14 (b) The district may include the cost of inspecting,  
15 sampling, and testing in the bid specifications. If the district  
16 includes the costs in the bid specifications, the costs are  
17 allowable charges for spending road money. (Acts 75th Leg., R.S.,  
18 Ch. 47, Sec. 9.)

19 Sec. 11001.010. CONVEYANCE OF IMPROVEMENTS. (a) The  
20 district shall convey the completed improvements to the City of  
21 Bastrop or Bastrop County as appropriate.

22 (b) If the improvements comply with the minimum standards  
23 the city or county, as applicable, prescribes for improvements in  
24 its jurisdiction, the city or county shall accept the improvements.

25 (c) If the jurisdictions of the city and the county overlap,  
26 the more stringent standards apply. (Acts 75th Leg., R.S., Ch. 47,  
27 Sec. 10.)

1           Sec. 11001.011.   ADDITIONAL POWERS.   The district may:

2                   (1)   select professional and consultant personnel for  
3   engineering, legal, and other necessary support services;

4                   (2)   select     and     approve     work     contractors     and  
5   subcontractors;

6                   (3)   supervise road and drainage work in the district;

7                   (4)   contract to carry out the improvements provided by  
8   the master plan, including contracting with a professional or  
9   contractor;

10                  (5)   supervise the cost-effective use of district money  
11   allocated for permanent improvements; and

12                  (6)   approve expenditures for necessary maintenance.  
13   (Acts 75th Leg., R.S., Ch. 47, Sec. 11.)

14           Sec. 11001.012.   REPORT   TO   CERTAIN   LEGISLATORS.     The  
15   district annually shall present a report concerning road district  
16   activities to each state representative and each state senator who  
17   represents the area in the district's jurisdiction.   The report  
18   must include:

19                  (1)   information regarding the progress of work during  
20   the preceding year;

21                  (2)   the amount of money spent during the preceding  
22   year;

23                  (3)   any revisions to the master plan; and

24                  (4)   a complete financial statement that lists all  
25   funds of the district and fund balances, expenditures, and interest  
26   earnings.   (Acts 75th Leg., R.S., Ch. 47, Sec. 12.)

27           Sec. 11001.013.   TERMINATION OF ROAD DISTRICT AUTHORITY;



1 DISTRIBUTION OF DISTRICT MONEY. (a) The road district authority  
2 under this chapter terminates when:

3 (1) all road improvements under the master plan are  
4 completed; and

5 (2) the City of Bastrop or Bastrop County, as  
6 appropriate, has accepted all road improvements in the district.

7 (b) On termination of the district's road district  
8 authority, the district shall give any money related to the  
9 district's road district authority that remains in the district's  
10 possession or control to the City of Bastrop or Bastrop County, as  
11 appropriate, for road maintenance in the district. The district  
12 shall send the money to the City of Bastrop or Bastrop County in the  
13 proportion that the number of miles of road improvements by the  
14 district accepted by the city or county bears to the total number of  
15 miles of road improvements by the district accepted by both the city  
16 and the county. (Acts 75th Leg., R.S., Ch. 47, Sec. 13.)

17 SECTION 2. CONFORMING AMENDMENT. Section 1, Chapter 120,  
18 Acts of the 60th Legislature, Regular Session, 1967, is amended to  
19 read as follows:

20 Sec. 1. The [~~Pursuant to authority granted by the~~  
21 ~~provisions of Section 9 of Article IX of the Constitution of the~~  
22 ~~State of Texas,~~] Angleton-Danbury Hospital District of Brazoria  
23 County, Texas, [~~is hereby authorized to be created in Brazoria~~  
24 ~~County, Texas, and as created~~] shall have the following boundaries:

25 BEGINNING at the southeasterly corner of the I. F. W. Curd  
26 Survey, Abstract 170, on the westerly shore line of West Bay at mean  
27 low tide;

1           THENCE southwesterly along the most southerly boundary line  
2 of said Curd Survey to its intersection with the northerly shore  
3 line of Bastrop Bay;

4           THENCE in a westerly direction along the shore lines of  
5 Bastrop Bay, Cox's Lake and Bastrop Bayou and along the southerly  
6 boundary line of said I. F. W. Curd Survey, the G. B. Brownrigg  
7 Survey, Abstract 150, the J. J. Calvington Survey, Abstract 427,  
8 the Juan Armendaris Survey, Abstract 405, and the F. Spann Survey,  
9 Abstract 373, to a point where an extension of the northwesterly  
10 boundary line of the B. F. Holt Survey, Abstract 592, would  
11 intersect the north bank of said bayou;

12           THENCE across Bastrop Bayou to the most northwesterly corner  
13 of said B. F. Holt Survey;

14           THENCE in a southerly direction along the western boundary  
15 line of said Holt Survey, the F. Pawpa Survey, Abstract 443, and the  
16 E. J. DeBard Survey, Abstract 673, to Big Slough;

17           THENCE up Big Slough with its meanders to a point in the west  
18 boundary line of the Austin & Williams Survey, Abstract 145;

19           THENCE west to a point in the southeast right-of-way line of  
20 the H. & B. V. Railway right-of-way in the J. E. Groce 5-League  
21 Grant, Abstract 66;

22           THENCE in a northeasterly direction along the southeast line  
23 of said railway right-of-way to Bastrop Bayou and continuing on the  
24 same course across said bayou to its northeasterly shore line at  
25 mean low tide;

26           THENCE northwesterly across said right-of-way to its  
27 northwesterly line on the shore of said bayou;

1           THENCE southwesterly crossing said bayou and following the  
2 northwest right-of-way line of the said railway to the center of  
3 Oyster Creek;

4           THENCE up the center of Oyster Creek to a point which is due  
5 south of the southwest corner of the S. F. Austin Survey, Abstract  
6 22;

7           THENCE in a northerly direction to the Southwestern corner of  
8 S. F. Austin Survey, Abstract 22, and continuing in a northerly  
9 direction with the west boundary line of said Austin Survey and the  
10 east boundary of the J. E. Groce 5-League Grant to its intersection  
11 with the center of Bastrop Bayou;

12           THENCE up the center of Bastrop Bayou with its meanders  
13 crossing State Hwy. No. 288 and the H. and B. V. Railroad to a point  
14 for corner being an extension of the division line of J. T. Suggs  
15 398.14 acre tract and W. T. Galloway 280.66 acre tract;

16           THENCE West passing a concrete monument on the bank of  
17 Bastrop Bayou to a concrete monument on the Northwest corner of said  
18 398.14 acre tract and the Southwest corner of said 280.66 acre tract  
19 and in the East line of C. M. and Elane S. Frost 100 acre tract;

20           THENCE North along West line of W. T. Galloway's 280.66 acre  
21 tract and the East line of C. M. and Elane S. Frost 100 acre tract,  
22 the Marmion Estate 100 acre tract and William Franklin and DeWitt C.  
23 Baker, Jr., 57.4 acre tract to the center of Bastrop Bayou;

24           THENCE up the center line of Bastrop Bayou to a point in the  
25 East line of J. T. Suggs 450 acre tract;

26           THENCE North along the East line of J. T. Suggs 450 acre tract  
27 and the West line of 128.55 acre tract to the Southeast corner of H.

1 E. Merchant 244 acre tract;

2       THENCE West along the South line of H. E. Merchant 244 acre  
3 tract and The Texas Company's 300 acre tract to the Southwest corner  
4 of said 300 acre Texas Company tract and in the East line of The  
5 Retrieve Prison Farm 2405.27 acre tract;

6       THENCE North along the East line of said Prison Farm 2405.27  
7 acre tract and the West line of said 300 acre Texas Company tract to  
8 the N. W. corner of the 300 acre tract of the North line of the J. E.  
9 Groce 5-League Grant;

10       THENCE West with the North line of said J. E. Groce 5-League  
11 Grant to its Northwest corner and continuing West with the North  
12 line of the S. F. Austin 5-League Grant, Abstract No. 19 to its  
13 point of intersection with the center of Oyster Creek;

14       THENCE downstream with the center of Oyster Creek and its  
15 meanders to the point where the center of Oyster Creek crosses the  
16 common boundary line of the S. F. Austin and J. E. Groce Surveys for  
17 the fourth time, in the Retrieve State Prison Farm;

18       THENCE in a Northwesterly direction in a straight line to the  
19 Northeast corner of the Dow Chemical Company's 3,586.32 acre tract  
20 in said S. F. Austin 5-League Grant which is also an ell corner of  
21 said Retrieve State Prison Farm;

22       THENCE South with the common line between the Prison Farm and  
23 the Dow 3,586.32 acre tract to a point in such line which is due East  
24 from a point in the center of the Brazoria Reservoir Levee which  
25 said last named point is 200 feet North of the point of intersection  
26 of the center of said levee with the center line of Buffalo Camp  
27 Bayou;

1           THENCE from said point in the Dow & Prison Farm common  
2 boundary, due West to the point in the center of the Brazoria  
3 Reservoir Levee;

4           THENCE Southerly with the center line of said Levee to the  
5 Center of Buffalo Camp Bayou, approximately 200 feet;

6           THENCE up the center of Buffalo Camp Bayou to a point due east  
7 of the south line of the John P. Cole Survey, Abstract 55;

8           THENCE west to the southeast corner of said John P. Cole  
9 Survey;

10          THENCE west along the south line of said John P. Cole Survey  
11 to the center of Middle Bayou;

12          THENCE up the center of Middle Bayou with its meanders to a  
13 point where the center line of said Bayou intersects the south line  
14 of the Samuel Carter League, Abstract 53;

15          THENCE in an easterly direction along the south boundary line  
16 of said Carter League to its southeast corner;

17          THENCE in a northerly direction along its eastern boundary  
18 line to its northeast corner;

19          THENCE in a westerly direction along its northern boundary  
20 line to the southeast corner of the J. B. Bailey League, Abstract  
21 38;

22          THENCE in a Northerly direction along the eastern boundary  
23 line of said J. B. Bailey League and continuing past its northeast  
24 corner on the same course to the middle line of the William Roberts  
25 League, Abstract 124;

26          THENCE west along the north line of the lower half of the  
27 William Roberts League and continuing on the same course to the

1 center of the Brazos River;

2       THENCE up the center of the Brazos River with its meanders to  
3 a point in the said river due west of the northwest corner of the  
4 Francis Bingham League; Abstract 43;

5       THENCE east to the northwest corner of said Bingham League  
6 and continuing along the northern boundary line of said league to  
7 its northeast corner;

8       THENCE in a southerly direction along the eastern boundary  
9 line of said Bingham League and the A. McFarland League, Abstract  
10 86, to its southeast corner;

11       THENCE southerly on the same course across the David Tally  
12 League, Abstract 130, and the Chester S. Gorbett League, Abstract  
13 64, to the northwest corner of the Lavaca Navigation Company  
14 Survey, Abstract 327;

15       THENCE in a southerly direction along the western boundary  
16 line of said Lavaca Navigation Company Survey, to its southwest  
17 corner;

18       THENCE in an easterly direction along the southern boundary  
19 line of said Lavaca Navigation Company Surveys, Abstracts 327 and  
20 536, to the most southeasterly corner thereof, same being the  
21 northeast corner of H. T. & B. Survey, Abstract 535;

22       THENCE in a southerly direction along the western boundary  
23 line of H. T. & B. Survey, Abstract 236, to the southwest corner of  
24 H. T. & B. Survey, Abstract 236;

25       THENCE in an easterly direction along the southern boundary  
26 lines of H. T. & B. Surveys, Abstracts 236, 555, 253, 556 and 254,  
27 and continuing on the same course to the southerwestern boundary

1 line of the Francis Moore League, Abstract 100;

2       THENCE in a southeasterly direction along the southwestern  
3 boundary line of said Francis Moore League to its most southwestern  
4 corner in the northwesterly boundary line of the S. T. Angier  
5 League, Abstract 7;

6       THENCE in a southwesterly direction along the northwestern  
7 boundary line of said Angier League to its most northwesterly  
8 corner;

9       THENCE in a southeasterly direction along its southwesterly  
10 boundary line to the southwest corner thereof;

11       THENCE in an easterly direction along its southeastern  
12 boundary line to the northwestern corner of H. T. & B. Survey,  
13 Abstract 277;

14       THENCE in a southeasterly direction along the southwestern  
15 boundary line of said H. T. & B. Survey 277 to its most  
16 southwesterly corner and continuing in the same direction along the  
17 southwestern boundary line of H. T. & B. Survey, Abstract 519, to  
18 the most northwesterly corner of H. T. & B. Survey, Abstract 520;

19       THENCE in a northeasterly direction along the northwesterly  
20 boundary line of H. T. & B. Survey, Abstract 520, H. T. & B. Survey,  
21 Abstract 260, and continuing on the same course across the Day Land  
22 & Cattle Company Survey, Abstract 603, to a point for corner in its  
23 northeasterly boundary line;

24       THENCE in a southeasterly direction along its northeasterly  
25 boundary line to its most southeasterly corner and continuing on  
26 the same course along the boundary line of the Day Land & Cattle  
27 Company Survey, Abstract 601, to the north boundary line of the L.

1 F. Tomlinson Survey, Abstract 374;

2       THENCE in a southwesterly direction along said boundary line  
3 to the northwest corner of the Arrington 75 acre tract;

4       THENCE in a southeasterly direction along the southwestern  
5 boundary line of said Arrington tract to its most southwestern  
6 corner;

7       THENCE in a southwesterly direction along the north boundary  
8 line of Lot 2 in Block 4 in said Tomlinson Survey to the most  
9 northwesterly corner of said lot;

10       THENCE in a southeasterly direction along the southwestern  
11 boundary line of said Lot 2 to its most southwesterly corner;

12       THENCE in a southwesterly direction along the southern  
13 boundary line of Lot 3 in Block 4 of a subdivision in said Tomlinson  
14 Survey to the northeast corner of a 291 acre tract known as the  
15 Kempner and Davis Tract in Block 5;

16       THENCE in a southeasterly direction along the eastern  
17 boundary line of said Kempner and Davis tract to its most  
18 southeastern corner and the north line of the L. A. Morton League,  
19 Abstract 101;

20       THENCE in a southeasterly direction across said Morton League  
21 to the Northwest corner of Lot 1 of the Coast Development Company  
22 Subdivision in the H. Austin League, Abstract 11;

23       THENCE in a southeasterly direction along the western  
24 boundary line of Lots 1, 2, 3, 4, 27, 28, 29 and 30 of said Coast  
25 Development Company Subdivision to a point for corner;

26       THENCE in an easterly direction along the southeastern  
27 boundary line of Lots 30 and 31 to the northwest corner of the G. J.



1 Swickheimer 160 acre tract;

2       THENCE in a southeasterly direction along the southwestern  
3 boundary line of said G. J. Swickheimer tract to its most  
4 southwesterly corner;

5       THENCE along the southeastern boundary line of said tract to  
6 its most southeasterly corner;

7       THENCE in a northeasterly direction to the southwestern  
8 corner of Lot 9 of the J. H. Everett Subdivision in said Austin  
9 League;

10       THENCE in a northeasterly direction along the southeastern  
11 boundary line of said Everett Subdivision and the Coast Development  
12 Company Subdivision to the west bank of Chocolate Bayou;

13       THENCE in a generally southwesterly direction with the  
14 meanders of said west bank of Chocolate Bayou and with the westerly  
15 shore line of West Bay at mean low tide to the southeasterly corner  
16 of the I. F. W. Curd Survey, Abstract 170, the PLACE OF BEGINNING.

17 ~~[The Legislature hereby finds that the foregoing boundaries and~~  
18 ~~field notes of said District form a closure, and, if any mistake is~~  
19 ~~made in copying the field notes in the legislative process, such~~  
20 ~~mistake shall not affect the organization, existence or validity of~~  
21 ~~the District or its right to issue bonds or refunding bonds, and the~~  
22 ~~right to assess, levy and collect taxes, or in any other manner~~  
23 ~~affect the legality or operation of the District.]~~

24       SECTION 3. CONFORMING AMENDMENT. Section 1, Chapter 411,  
25 Acts of the 58th Legislature, Regular Session, 1963, is amended to  
26 read as follows:

27       Sec. 1. The boundaries ~~[Pursuant to the provisions of~~

1 ~~Section 9 of Article IX of the Constitution of the State of Texas,~~  
2 ~~this Act shall be operative so as to authorize the creation,~~  
3 ~~establishment, maintenance, and operation]~~ of the Booker Hospital  
4 District[, ~~the boundaries of which]~~ are described as follows, to  
5 wit:

6 BEGINNING at the Northwest corner of Lipscomb County where  
7 county boundary lines between Ochiltree County and Lipscomb County  
8 intersect the state boundary line between Texas and Oklahoma, and  
9 running due south along said county line to the Southwest corner of  
10 Lipscomb County;

11 THENCE East along the county boundary line between Lipscomb  
12 County and Hemphill County to its intersection with the eastern  
13 boundary line of Section 66 of Block 43 of the Houston and Texas  
14 Central R. R. Survey;

15 THENCE Northerly along the eastern boundaries of Sections 66,  
16 111, 154, 199, 242, 287, 330, 375, 418, 463, 506, 551, 594, 639,  
17 682, 727, 770, 815, 858, 903, 946, 991, 1034, 1079, 1122, and 1167  
18 of Block 43 of the Houston and Texas Central R. R. Survey to the  
19 point of intersection of the eastern boundary of said Section 1167  
20 with the south boundary of Section 155 of Block 10 of the Southern  
21 Pacific R. R. Survey;

22 THENCE West along the South boundary of Section 155 of Block  
23 10 of the Southern Pacific R. R. Survey to its point of intersection  
24 with the east boundary of Section 154 of said survey;

25 THENCE North along the east boundary of said Section 154 and  
26 continuing north along the east boundaries of Sections 111, 66 and  
27 23 of Block 10 of the Houston Tap and Brazoria R. R. Survey to the

point of the intersection of that line with the Southern boundary of the W. P. Wiser Survey.

THENCE continuing north along the projection of the east boundary line of Section 23 of Block 10 of the Houston Tap and Brazoria R. R. Survey to the state boundary line.

THENCE West along the state boundary line between Texas and Oklahoma to the point of beginning.

SECTION 4. CONFORMING AMENDMENT. Section 3, Chapter 183, Acts of the 56th Legislature, Regular Session, 1959 (Article 8280-222, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 3. TERRITORY COMPRISING THE DISTRICT. The Aguilla-Hackberry Creek Conservation District [~~hereby created and established~~], situated wholly within Hill and McLennan Counties, shall comprise all territory located within the boundaries described as follows, except lands situated within the limits of incorporated cities, or towns, of Abbott, Hillsboro, Itasca, and West, Texas:

BEGINNING at the point of intersection of the Hill-Johnson County line and the East line of 113.2 acre tract in the Mary Carothers Survey, A-114, Hill County, Texas, owned by John D. Harper et al.

THENCE S. 30 E. with said Harpers east line 2500 feet, to the South line of a County road;

THENCE N. 60 E. with said road line 3125 feet to point in East line of said Carothers Survey;

THENCE S. 30 E. with said survey line 4250 feet to its S.E.

1 corner;

2       THENCE S. 60 W. with South line of said survey 500 feet to  
3 N.E. corner of Lewis A. Reynold Survey, A-752;

4       THENCE S. 30 E. at 11,750 feet pass the S.E. corner of said  
5 Reynolds Survey, at 17,625 feet pass the S.W. corner of John Clary  
6 Survey, A-118, in all 22,700 feet to S.W. corner of Smith Newton  
7 Survey, A-690, which point is in the North line of a public road;

8       THENCE N. 60 E. with South line of said Newton Survey 10,750  
9 feet to its S.E. corner of said corner being also in West line of  
10 McKinney & Williams Survey, A-665;

11       THENCE S. 30 E. with said west line 2750 feet to S.W. corner  
12 of said survey;

13       THENCE N. 60 E. 1150 feet to a point in said south survey  
14 line, said point also being the N.E. corner of Sterling R. Barnes  
15 Survey A-74;

16       THENCE S. 30 E. 2650 feet to a point in East line of said  
17 Barnes Survey, said point being the S.W. corner of a 63.65 acre  
18 tract in M. L. Barnes Survey, A-73, once owned by C. B. Hill;

19       THENCE N. 60 E. 2800 feet with the south lines of Hills 63.65  
20 acre tract and 58.8 acre tract to S.E. corner of the latter in the  
21 East line of said M. L. Barnes Survey;

22       THENCE S. 30 E. 500 feet to the N.W. corner of Don Herlin's  
23 100 acre tract in the Henry Sikes Survey, A-817;

24       THENCE N. 60 E. with said Herlins North line 3925 feet to his  
25 N.E. corner in the East line of said survey;

26       THENCE S. 30 E. with East line of said Survey 3300 feet to its  
27 S.E. corner, being also the N.W. corner of J. P. Rushing Survey,

1 A-785, continuing same course with west line of last named Survey  
2 5280 feet or 8580 feet in all to its S.W. corner in North line of a  
3 Public road;

4 THENCE N. 60 E. with said North line of road 10,050 feet to  
5 N.E. corner of J. A. England's 109 acre tract in J. P. Rushing  
6 Survey, A-786, said corner being in North line of said survey;

7 THENCE S. 30 E. with England's east line 2950 feet to his S.E.  
8 corner in South line of said survey, being also the most easterly  
9 N.E. corner of B. B. B. & C. R. R. Co. Survey, A-105;

10 THENCE S. 30 E. with East line of said Survey 3050 feet to an  
11 outside ell corner of same;

12 THENCE S. 60 W. 850 feet to an inside ell corner of said  
13 survey;

14 THENCE S. 30 E. at 690 feet pass the most southerly S.E.  
15 corner of said survey, continuing same course in all 1775 feet to an  
16 inside ell corner of Geo. McDaniel Survey, A-633;

17 THENCE S. 60 W. 260 feet to the most westerly N.W. corner of  
18 said survey;

19 THENCE S. 30 E. 1650 feet to S.W. corner of survey;

20 THENCE N. 60 E. 600 feet to point in South line of said survey  
21 and also the south line of 110.5 acre tract owned by Mrs. Estelle  
22 Adair, said point being the N.W. corner of Wm. McDonald Survey,  
23 A-568;

24 THENCE S. 30 E. with West line of said survey and East line of  
25 public road; at 1100 feet pass the most westerly S.W. corner of said  
26 survey, at 1650 feet pass an inside ell corner of Sarah A. Cook  
27 Survey, A-1043, and in all 4100 feet to an outside ell corner of

1 said survey;

2           THENCE N. 60 E. 1600 feet to an inside ell corner of said  
3 survey, being also the N.W. corner of Chas. M. Smithdeal's 109 acre  
4 tract in said survey;

5           THENCE S. 30 E. with Smithdeal's west line 4100 feet to a  
6 point in the North line of W. O. Merriweather Survey, A-564;

7           THENCE N. 80 E. with said North line 1,000 feet to N.E. corner  
8 of survey;

9           THENCE S. 10 E. with east line of said survey 10,900 feet to  
10 its S.E. corner;

11           THENCE S. 80 W. 2,300 feet with south line of said survey and  
12 North line of Wm. Armstrong Survey, A-23, to N.W. corner of 105 acre  
13 tract in latter named survey owned by W. B. Overman, et al;

14           THENCE S. 30 E. with the west line of the said Overman tract  
15 and the Mrs. Dora Kyle Estate 90.45 acre tract 3,450 feet to the  
16 S.W. corner of the latter in the South line of said survey;

17           THENCE N. 60 E. with said South line 400 feet to a point  
18 thereon which is the N.W. corner of the James J. Lee Survey, A-543;

19           THENCE S. 30 E. with the Survey's west line and the East line  
20 of a public road at 4,700 feet pass the survey's S.W. corner at  
21 5,650 feet pass the North line of Navarro County School Land Survey,  
22 A-675, and in all 5,900 feet to the North line of the Old Dallas  
23 Highway;

24           THENCE S. 60 W. with said North line of Highway 2100 feet to  
25 point in survey's west line;

26           THENCE S. 30 E. with said west line 3600 feet to a point  
27 thereon, which is also the N.E. corner of Polly Meeks Survey, A-639;

1           THENCE S. 60 W. with North line of said survey and North line  
2 of public road 5,280 feet to point in same;

3           THENCE with west line of public road S. 30 E. 3,670 feet; S.  
4 15 W. 280 feet and S. 30 E. 4,500 feet to the most southerly North  
5 line of A. Morrow Survey, A-580;

6           THENCE S. 60 W. 700 feet with said line to the most westerly  
7 N.W. corner of said survey;

8           THENCE S. 30 E. 1580 feet with West line of said Morrow Survey  
9 and West line of W. W. Hobson Survey, A-429, to a point in the North  
10 line of State Highway No. 22;

11          THENCE S. 60 W. with said North line 3,250 feet to point in  
12 East line of John A. Harlan Survey, A-397;

13          THENCE S. 30 E. with said survey, East line and the East line  
14 of a public road 27,100 feet to the S.E. corner of George Wilkins  
15 Survey, A-965;

16          THENCE With South line of said survey S. 60 W. 5,575 feet to  
17 S.W. corner of survey;

18          THENCE with south line of Ephraim Goss Survey, A-346, S. 60 W.  
19 1,200 feet; N. 30 W. 350 feet; and S. 60 W. at 2,800 feet, pass S.W.  
20 corner of said survey and in all 2,900 feet to an outside ell corner  
21 of Simon Jones Survey, A-482;

22          THENCE S. 30 E. 1,050 feet to an inside ell corner of said  
23 survey; S. 60 W. 950 feet to an outside ell corner of said survey; S.  
24 30 E. 1,500 feet to an inside ell corner of said survey; S. 60 W. 225  
25 feet to an outside ell corner of said survey; and S. 30 E. 1,100 feet  
26 to survey's S.W. corner, said point being in North line of Thomas  
27 Graham Survey, A-341;

1           THENCE S. 60 W. with said North line of survey and North line  
2 of Ennis Smith's tract in E. Cameron Survey, A-130, 2,550 feet to an  
3 inside ell corner of said Smith tract;

4           THENCE N. 30 W. with Smith's east line 850 feet to the S.E.  
5 corner of Abner Lee Survey, A-532;

6           THENCE S. 60 W. with said survey's South line 1,425 feet to a  
7 point thereon, said point also being in the East line of a public  
8 road;

9           THENCE S. 30 E. with said line of road 6,030 feet to a point in  
10 North line of John Mills Survey, A-620, and said point also being in  
11 the North line of a public road;

12           THENCE S. 60 W. with said line 5,325 feet to a point in East  
13 line of Robert F. Norvell Survey, A-687;

14           THENCE S. with said survey line 4,000 feet to S.E. corner of  
15 survey and N.E. corner of Robert F. Norvell Survey, A-688;

16           THENCE W. with said Common survey line 3,151 feet to a point  
17 in the West right-of-way line of M. K. & T. R. R. Co.;

18           THENCE with said right-of-way line as follows: S. 10 E. 1,570  
19 feet; S. 7,500 feet; and S. 13 W. 10,738 feet to its intersection  
20 with the Hill-McLennan County line; Continuing the same course for  
21 22,940 or 33,678 feet in all to a point on the South line of M.  
22 Jewett Survey, A-517;

23           THENCE S. 60 W. with the South lines of said survey, B. B.  
24 Ingraham Survey, A-1126, J. M. Marek 89.5 acre tract in J. Moreno  
25 Survey, A-26 and Andrew N. Halbert 80 acre tract in same survey  
26 9,100 feet to S.W. corner of Charles J. Holy 167.2 acre tract in  
27 same survey;



1           THENCE N. 30 W. 100 feet to S.E. corner of Mary Catherine  
2 Demars' 80 acre tract in said survey;

3           THENCE S. 60 W. with her South line and the South lines of D.  
4 C. Mosely 80 acre tract, Albin Pavlas 84 acre tract, Joseph L.  
5 Melansky, 58.559 acre tract, W. C. Cox 10 acre tract (all in said  
6 Moreno Survey), and Wm. Carmichael Survey, A-273, 8,500 feet to a  
7 point in East line of T. H. Brennan Survey;

8           THENCE S. 30 E. with said E. line 2,600 feet to survey S.E.  
9 corner;

10          THENCE S. 60 W. 4,200 feet to point on South survey line;

11          THENCE S. 30 E. 1,620 feet to S.E. corner of W. M. Haney's 7.5  
12 acre tract in N. H. Hobbs Survey, A-428;

13          THENCE S. 60 W. 518 feet to his S.W. corner, being in the East  
14 line of a public road;

15          THENCE with said East road line S. 1 W. 1,900 feet to a point  
16 in survey's South line;

17          THENCE N. 60 E. 775 feet to N.W. corner W. W. Kattner 118.6  
18 acre tract in R. P. Shepherd Survey, A-1145;

19          THENCE S. 30 E. with Shepherd's West line, at 630 feet the  
20 N.E. corner Samuel Gholson Survey, A-18, continuing same course  
21 with East line of survey 7,800 feet to its S.E. corner;

22          THENCE S. 60 W. with South line of survey 3,220 feet to point  
23 in West line of public road;

24          THENCE with said line of said road as follows: S. 37 E. 2,825  
25 feet; S. 18 E. 2,500 feet; S. 8 W. 1,525 feet; S. 18 E. 1,240 feet;  
26 S. 60 W. 645 feet; S. 7 W. 3,700 feet; S. 23 W. 780 feet; S. 2 E. 540  
27 feet; and S. 8 W. 2,970 feet to a point in East line of Waco-Gholson

1 road;

2           THENCE S. 20 E. with said line 400 feet to point in South line  
3 of Joseph Rutherford Survey, A-34;

4           THENCE S. 60 W. 6,640 feet to a point on East bank of Brazos  
5 River;

6           THENCE in a general direction of N. 60 W. with the meanders of  
7 the East bank of the Brazos River 20,900 feet to a point in said bank  
8 being the N.W. corner of Martin G. McCartney's 93.53 acre tract in  
9 Samuel Gholson Survey, A-18;

10           THENCE N. 60 E. 1,620 feet to S.E. corner of B. L. Eastwood's  
11 86 acre tract in said survey;

12           THENCE N. 30 W. with East lines of Eastwood tract and M. G.  
13 Lightfoot tract 3,540 feet to a point in North line of said Gholson  
14 survey, said point being in West line of a public road;

15           THENCE N. 30 W. with said West line of said road 4,435 feet to  
16 its intersection with South line of A. Estes Survey, A-335;

17           THENCE S. 60 W. with said South line 2,150 feet to S.W. corner  
18 of said survey;

19           THENCE N. 30 W. 4,040 feet to N.W. corner of survey, said  
20 corner being in the south line of Mary Ware Survey, A-1056;

21           THENCE S. 60 W. with said line 1,010 feet to S.W. corner of  
22 John H. McCartney 100 acre tract in said survey;

23           THENCE N. 30 W. 3,020 feet to point in South line of Frank T.  
24 Allen 90.4 acre tract;

25           THENCE S. 60 W. 240 feet to his S.W. corner;

26           THENCE N. 30 W. 4070 feet to point in North line of said Ware  
27 Survey;

1           THENCE S. 60 W. 800 feet to S.W. corner of C. Carley 110 acre  
2 tract in Lemuel Rice Survey, A-1054;  
3           THENCE N. 30 W. 1625 feet to his N.W. corner;  
4           THENCE S. 60 W. 360 feet to an inside ell corner of P. A.  
5 Fuston 128 acre tract in said survey;  
6           THENCE N. 30 W. 3670 feet to N.W. corner of Julia M. Clark 50  
7 acre tract of said survey;  
8           THENCE N. 60 E. 1425 feet to S.W. corner of Esther Powell 51  
9 acre tract in said survey;  
10          THENCE N. 30 W. 1735 feet to point in Hill-McLennan County  
11 line, being the N.W. corner of said Powell tract;  
12          THENCE N. 60 E. 1300 feet to point in said County Line, being  
13 in the East line of a public road and in South line of Wm. H. Smith  
14 Survey, A-864;  
15          THENCE N. 30 W. with said road line 2750 feet to its  
16 intersection with North line of said survey and continuing with  
17 said line N. 33 W. 2550 feet to its intersection with North line of  
18 Geo. W. Hill Survey, A-370;  
19          THENCE N. 60 E. with said line 1200 feet to S.W. corner of  
20 Philip Hardwick Survey, A-372;  
21          THENCE N. 30 W. with West line of said survey 1725 feet to  
22 inside ell corner of survey and also S.W. corner of J. E. Johnson 41  
23 acre tract in same;  
24          THENCE N. 60 E. 2150 feet to Johnson's S.E. corner and inside  
25 ell corner in East Survey line;  
26          THENCE N. 30 W. with said line 4225 feet to N.W. corner of  
27 survey, which point is the south line of John Saffel Survey, A-982;

1           THENCE N. 60 E. 3275 feet to a point in said Saffel survey  
2 line, and being the S.E. corner of C. R. Wright's 107.5 acre tract  
3 in said survey;

4           THENCE N. 30 W. with Wright's East line 2800 to his N.E.  
5 corner in North survey line;

6           THENCE N. 60 E. with said survey line 2200 feet to an inside  
7 ell corner of said survey;

8           THENCE N. 30 W. 4300 feet to N.W. corner of said survey;

9           THENCE N. 60 E. 6800 feet to point in Saffel N. line and being  
10 S.W. corner of E. E. Ussery's 100 acre tract in Wm. Brooks Survey,  
11 A-1;

12           THENCE N. 30 W. 7175 feet to N.W. corner of Ussery's 179.6  
13 acre tract in North survey line;

14           THENCE N. 60 E. 10,350 feet to a point in East line of public  
15 road at its intersection with common line between said Brooks  
16 Survey and James S. Dallas Survey, A-210, and said point being the  
17 S.W. corner of Klement Svreck's 92.35 acre tract out of said Dallas  
18 Survey;

19           THENCE N. 38 W. with said East road line 13,700 feet to the  
20 south line of Sterling C. Robertson Survey, A-8;

21           THENCE N. 60 E. 1200 feet to S. E. corner of survey;

22           THENCE N. 30 W. 6900 feet to survey N.E. corner;

23           THENCE S. 60 W. 2570 feet to point on survey's North line and  
24 being S.E. corner of Francisco Baldez Survey, A-31;

25           THENCE N. 30 W. with Baldez's East line and the East line of  
26 public road 10,750 feet to corner in South line of public road;

27           THENCE N. 60 E. with south line of said road 3820 feet to

1 corner in East line of public road;  
2       THENCE with said East line of road N. 28 W. 9750 feet; N. 49 W.  
3 1400 feet; and N. 51°; W. 3475 feet to point in North line of State  
4 Highway No. 22, which point is also in South line of Mary Beacham  
5 Survey, A-26;  
6       THENCE N. 60 E. 2385 feet to S.E. corner of said survey;  
7       THENCE N. 30 W. 16,000 feet to N.W. corner R. Irvin Survey,  
8 A-461;  
9       THENCE N. 60 E. 2750 feet to its N.E. corner;  
10       THENCE N. 30 W. 8800 feet to N.E. corner Rutgersville College  
11 Survey;  
12       THENCE N. 60 E. 650 feet to an inside ell corner of P. J.  
13 George Survey, A-329;  
14       THENCE N. 30 W. 10,250 feet to N.W. corner of W. M. McDonald  
15 Survey, A-566;  
16       THENCE N. 60 E. 2350 feet to its N.E. corner;  
17       THENCE N. 30 W. 3550 feet to N.W. corner James R. Rattekin  
18 Survey, A-782;  
19       THENCE N. 60 E. 3650 feet to S.W. corner James McDonald  
20 Survey, A-650;  
21       THENCE N. 30 W. 10,500 feet to N.W. corner of Samuel Ralph  
22 Survey, A-798;  
23       THENCE N. 60 E. 5200 feet to its N.E. corner;  
24       THENCE N. 30 W. 4850 feet to S.W. corner Richard Hope Survey,  
25 A-432;  
26       THENCE N. 60 E. 5200 feet to its S.E. corner;  
27       THENCE N. 30 W. 2,150 feet to S.W. corner W. C. Weatherred

1 Survey, A-932;

2       THENCE N. 60 E. 7,700 feet to its S.E. corner;

3       THENCE N. 30 W. 11675 feet to N.W. corner F. C. Burt Survey,  
4 A-28;

5       THENCE N. 60 E. 7800 feet to its N.E. corner;

6       THENCE N. 30 W. 7775 feet to N.W. corner Edwin S. Cabler  
7 Survey, A-113;

8       THENCE N. 60 E. 5225 feet to point in North line of survey,  
9 being S.W. corner of Myrtle Reddell 48 acre tract in Samuel Marshall  
10 Survey, A-571;

11       THENCE N. 30 W. 2190 feet to Reddell's N.W. corner;

12       THENCE N. 60 E. 3560 feet to point in West line of public  
13 road;

14       THENCE N. 30 W. with said line 3,000 feet to its intersection  
15 with the Hill-Johnson County line;

16       THENCE N. 75 E. 14,900 feet to the place of beginning,  
17 containing 273,864.4 acres of land, more or less. 190,524.4 acres,  
18 more or less, thereof, being in the Aquilla Creek Watershed and  
19 83,340 acres, more or less, being in the Hackberry Creek Watershed.

20       ~~[It being hereby found and determined that all of the land~~  
21 ~~included within the boundaries of the District will be benefited~~  
22 ~~and that the District is created to serve a public use and benefit,~~  
23 ~~it shall not be necessary for the Board of Directors to call a~~  
24 ~~confirmation election or to hold a hearing on the exclusion of lands~~  
25 ~~or a hearing on the adoption of a plan of taxation, but the ad~~  
26 ~~valorem plan of taxation shall be used by the District.]~~

27       SECTION 5. CONFORMING AMENDMENT. Section 1, Chapter 110,

1 Acts of the 41st Legislature, 1st Called Session, 1929, is amended  
2 to read as follows:

3       Sec. 1. ~~[That Cameron County Water Improvement District~~  
4 ~~Number Ten, in Cameron County, Texas, as hereinafter described by~~  
5 ~~metes and bounds, is hereby created and established as a~~  
6 ~~Conservation and Reclamation District under authority of Section 59~~  
7 ~~of Article 16, of the Constitution of the State of Texas, for the~~  
8 ~~purpose of the reclamation and irrigation of its arid, semi-arid~~  
9 ~~and other lands, needing irrigation, reclamation and drainage of~~  
10 ~~its overflowed lands, and other lands needing drainage, and all~~  
11 ~~other purposes as contemplated by said Section 59 of Article 16, of~~  
12 ~~the Constitution of this State, and said District shall be a~~  
13 ~~Governmental agency and a body politic with all powers as are~~  
14 ~~granted to such Conservation and Reclamation Districts in the~~  
15 ~~Constitution and in the General Laws of the State of Texas, and the~~  
16 ~~organization and establishment of said District by the~~  
17 ~~Commissioners' Court of Cameron County, Texas, and all orders of~~  
18 ~~said Commissioners' Court of Cameron County, Texas, and of the~~  
19 ~~Board of Directors of said Cameron County Water Improvement~~  
20 ~~District Number Ten, heretofore made in respect to the creation of~~  
21 ~~such District and the authorization and issuance of the bonds of~~  
22 ~~said District and particularly an issue of Six Hundred Eighty~~  
23 ~~Thousand Dollars of bonds voted at an election under date of October~~  
24 ~~1, 1928, be and the same are hereby in all things ratified,~~  
25 ~~confirmed and validated.~~

26       ~~[It is hereby declared and determined that all property~~  
27 ~~within the boundaries of said District, as herein set forth, is~~

1 ~~benefited by the creation of said District, and that no property not~~  
2 ~~benefited is included within such boundaries.]~~ The said Cameron  
3 County Water Improvement District Number Ten, in Cameron County,  
4 Texas, ~~[here now created and established, after consideration of~~  
5 ~~the benefits to the property therein located,]~~ is described by  
6 metes and bounds, as follows, to-wit:

7         Six Thousand Nine Hundred Seventy-eight and 48/100 (6978.48)  
8 acres, more or less, situated wholly in Cameron County, Texas, and  
9 being a part of Shares Nos. 19, 27 and 28 of the Espiritu Santo  
10 Grant, in Cameron County, Texas, as said shares were allotted and  
11 set apart by the final decree partitioning said grant rendered by  
12 the District Court of Cameron County, Texas, May 6, 1889, in Cause  
13 No. 1346 entitled "M. Kenedy, R. King, et al. vs. Thomas Carson,  
14 Administrator, et al.," and more particularly described by metes  
15 and bonds, as follows:

16         "Beginning at a point on the west line of Share No. 27 said  
17 point being South 4°30' West 1228.2 feet from the center line of  
18 State Highway No. 100. Thence South 85°0' East 2915.2 feet to a  
19 point on the East line of said Share No. 27. Thence with the East  
20 line of share No. 27 North 3° 51' East 1258.2 feet to the North line  
21 of State Highway No. 100. Thence South 85° 0' East 2733.3 feet with  
22 the North line of State Highway No. 100 to a point in the East line  
23 of Share No. 28. Thence with the East line of Share No. 28 North 2°  
24 24' East 33,705.8 feet. Thence North 86° 36' West 1893.4 feet to a  
25 point in the East line of Share No. 27. Thence with the East line of  
26 Share No. 27 North 3° 30' East 26,848.8 ft. more or less, to the  
27 Northeast corner of Section 2, Citrus Gardens Subdivision,



1 according to map recorded in Vol. 8, page 19, of the Map Records of  
2 Cameron County, Texas; thence north 85° 58' West, 1972 feet along  
3 and with the North line of said Subdivision to the Northwest corner  
4 thereof in the West line of said Share No. 27; thence South 4° 35'  
5 West 18,060.4 ft. more or less, to the northeast corner of Tract No.  
6 43 of Share No. 19 of the Espiritu Santo Grant, as said Tract No. 43  
7 was set apart and allotted to Mrs. Agnes A. Browne by the final  
8 decree partitioning said Share 19, rendered by the District Court  
9 of Jefferson County, Texas, in Cause No. 7588, entitled "Charles B.  
10 Combe, et al., vs. John H. Broocks, et al"; thence with the North  
11 line of Tract No. 43 North 85° 30' West 1863.6 feet to the Northwest  
12 corner of said Tract No. 43; thence with the West line of Tract No.  
13 43 South 4° 30' West 43,772.3 feet to the Southwest corner of Tract  
14 No. 43; thence with the South line of Tract No. 43 South 88° 30' East  
15 1810.8 feet to a point in the West line of Share No. 27; thence North  
16 4° 30' East 1279.5 feet to the place of beginning, containing  
17 6978.48 acres, more or less."

18 The above described territory being the same territory that  
19 was included within the boundaries of this District at the time of  
20 its organization and described in order adopted on the 18th day of  
21 June, 1928, by the Commissioners' Court of Cameron County, Texas,  
22 with modifications thereto made by orders of the Board of Directors  
23 of said District in conformity with law, prior to the voting of any  
24 bonds by said District.

25 SECTION 6. REPEALER. The following statutes are repealed:

26 (1) Sections 2-20, Chapter 120, Acts of the 60th  
27 Legislature, Regular Session, 1967;

1           (2) Sections 2 and 3, Chapter 271, Acts of the 62nd  
2 Legislature, Regular Session, 1971;

3           (3) Sections 2-18, Chapter 411, Acts of the 58th  
4 Legislature, Regular Session, 1963;

5           (4) Sections 4-7, Chapter 541, Acts of the 63rd  
6 Legislature, Regular Session, 1973;

7           (5) Sections 2(b)-(d), Chapter 95, Acts of the 76th  
8 Legislature, Regular Session, 1999;

9           (6) the following provisions of the Local Government  
10 Code:

11                   (A) Chapter 384, as added by Chapter 1578, Acts  
12 of the 76th Legislature, Regular Session, 1999;

13                   (B) Subchapters A-J, Chapter 376;

14                   (C) Subchapter K, Chapter 376, as added by  
15 Chapter 418, Acts of the 77th Legislature, Regular Session, 2001;

16                   (D) Subchapter K, Chapter 376, as added by  
17 Chapter 1356, Acts of the 77th Legislature, Regular Session, 2001;

18                   (E) Subchapter K, Chapter 376, as added by  
19 Chapter 1371, Acts of the 77th Legislature, Regular Session, 2001;

20                   (F) Subchapter K, Chapter 376, as added by  
21 Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001;

22                   (G) Subchapter K, Chapter 376, as added by  
23 Chapter 1476, Acts of the 77th Legislature, Regular Session, 2001;

24                   (H) Subchapter K, Chapter 376, as added by  
25 Chapter 1384, Acts of the 77th Legislature, Regular Session, 2001;

26                   (I) Subchapter K, Chapter 376, as added by  
27 Chapter 1433, Acts of the 77th Legislature, Regular Session, 2001;

1 and

2 (J) Subchapters A and B, Chapter 396;

3 (7) Section 2, Chapter 360, Acts of the 76th  
4 Legislature, Regular Session, 1999;

5 (8) Chapter 213, Acts of the 51st Legislature, Regular  
6 Session, 1949;

7 (9) Section 2, Chapter 525, Acts of the 71st  
8 Legislature, Regular Session, 1989;

9 (10) Chapter 9, page 42, Special laws, Acts of the 41st  
10 Legislature, 4th Called Session, 1930;

11 (11) Sections 2-14, Chapter 43, Acts of the 57th  
12 Legislature, 3rd Called Session, 1962;

13 (12) Sections 2-10, Chapter 245, Acts of the 58th  
14 Legislature, Regular Session, 1963;

15 (13) Chapter 827, Acts of the 70th Legislature,  
16 Regular Session, 1987;

17 (14) Chapter 357, Acts of the 72nd Legislature,  
18 Regular Session, 1991;

19 (15) Sections 1-3 and 5-9, Chapter 661, Acts of the  
20 62nd Legislature, Regular Session, 1971;

21 (16) Chapter 142, Acts of the 55th Legislature,  
22 Regular Session, 1957;

23 (17) Sections 2 and 3, Chapter 157, Acts of the 57th  
24 Legislature, Regular Session, 1961;

25 (18) Chapter 97, Acts of the 44th Legislature, Regular  
26 Session, 1935;

27 (19) Chapter 151, Water Code;

1           (20) Sections 1, 2, and 4-12, Chapter 183, Acts of the  
2 56th Legislature, Regular Session, 1959;

3           (21) Sections 2-13, Chapter 110, Acts of the 41st  
4 Legislature, 1st Called Session, 1929;

5           (22) Subchapter B, Chapter 421, Local Government Code;  
6 and

7           (23) Chapter 47, Acts of the 75th Legislature, Regular  
8 Session, 1997.

9       SECTION 7. LEGISLATIVE INTENT OF NO SUBSTANTIVE CHANGE.  
10 This Act is enacted under Section 43, Article III, Texas  
11 Constitution. This Act is intended as a recodification only, and no  
12 substantive change in the law is intended by this Act. This Act  
13 does not increase or decrease the territory of any special district  
14 of the state as those boundaries exist on the effective date of this  
15 Act.

16       SECTION 8. PRESERVATION OF VALIDATION MADE BY PREVIOUS LAW.  
17 (a) The repeal of a law, including a validating law, by this Act  
18 does not remove, void, or otherwise affect in any manner a  
19 validation under the repealed law. The validation is preserved and  
20 continues to have the same effect that it would have if the law were  
21 not repealed.

22       (b) Subsection (a) of this section does not diminish the  
23 saving provisions prescribed by Section 311.031, Government Code.

24       SECTION 9. EFFECTIVE DATE. This Act takes effect April 1,  
25 2005.

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 9, 2003**

**TO:** Honorable Kenny Marchant, Chair, House Committee on State Affairs

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB3508** by Marchant (Relating to the adoption of a nonsubstantive revision of local laws concerning special districts, including conforming amendments.), **Committee Report 1st House, As Amended**

<b>No fiscal implication to the State is anticipated.</b>
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**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** JK, RR

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**March 28, 2003**

**TO:** Honorable Kenny Marchant, Chair, House Committee on State Affairs

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB3508** by Marchant (Relating to the adoption of a nonsubstantive revision of local laws concerning special districts, including conforming amendments.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
---

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** JK, RR

## REQUEST FOR LOCAL & UNCONTESTED CALENDAR PLACEMENT

SENATOR CHRIS HARRIS, CHAIRMAN  
SENATE COMMITTEE ON ADMINISTRATION

Notice is hereby given that HB 3508, by Marchant/Harris,  
(Bill No.) (Author/Sponsor)  
was heard by the Committee on Administration on May 15, 2003,  
and reported out with the recommendation that it be placed on the Local and Uncontested Calendar.

Chris Harris  
(Clerk of the reporting committee)

**IMPORTANT: A COPY OF THIS FORM MUST BE ATTACHED TO A COMMITTEE PRINTED VERSION OF THE BILL OR RESOLUTION AND SHOULD BE DELIVERED TO THE ADMINISTRATION COMMITTEE OFFICE, E1.714. DEADLINES FOR SUBMITTING BILLS AND RESOLUTIONS WILL BE ANNOUNCED ON A REGULAR BASIS.**

**FAVORABLE  
SENATE COMMITTEE REPORT ON**

SB SCR SJR SR HB HCR HJR

3508

By

Marchant / Harris

(Author/Senate Sponsor)

5/16/03

(date)

Sir:

We, your Committee on ADMINISTRATION, to which was referred the attached measure, have on May 15, 2003, had the same under consideration and I am instructed to report it back with the recommendation (s) that it:

☐ do pass and be printed

☒ do pass and be ordered not printed

☒ and is recommended for placement on the Local and Uncontested Bills Calendar.

A fiscal note was requested. ☒ yes ☐ no

A revised fiscal note was requested. ☐ yes ☒ no

An actuarial analysis was requested. ☐ yes ☒ no

Considered by subcommittee. ☐ yes ☒ no

The measure was reported from Committee by the following vote:

	YEA	NAY	ABSENT	PNV
Senator Harris, Chairman	✓			
Senator Hinojosa, Vice-Chairman	✓			
Senator Jackson	✓			
Senator Janek	✓			
Senator Van de Putte	✓			
Senator Wentworth	✓			
Senator Whitmire	✓			
TOTAL VOTES	7	0	0	

**COMMITTEE ACTION**

S260 Considered in public hearing

S270 Testimony taken

Ann Heggen  
COMMITTEE CLERK

Chris Harris  
CHAIRMAN



WITNESS LIST

HB 3508

SENATE COMMITTEE REPORT

Administration

May 15, 2003 - 4:00PM

ON: Thorne, Jeffrey (Texas Legislative Council), Austin, TX

## **BILL ANALYSIS**

Senate Research Center

H.B. 3508  
By: Marchant (Harris)  
Administration  
5-8-2003  
Engrossed

### **DIGEST AND PURPOSE**

H.B. 3508 makes a nonsubstantive revision of local laws concerning special districts, including conforming changes.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

H.B. 3508 provides for the adoption of a nonsubstantive revision of local laws concerning special districts, including conforming amendments.

SECTION 1. ADOPTION OF CODE. (Pages 1 - 446 of bill.)

TITLE 1. GENERAL PROVISIONS

TITLE 2. ENVIRONMENT AND SANITATION

SUBTITLE A. SOLID WASTE MANAGEMENT

TITLE 3. HEALTH

SUBTITLE A. HOSPITAL DISTRICTS

TITLE 4. DEVELOPMENT AND IMPROVEMENT

SUBTITLE A. AGRICULTURE

SUBTITLE B. DEFENSE BASE DEVELOPMENT

SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT

TITLE 5. TRANSPORTATION

SUBTITLE A. NAVIGATION DISTRICTS AND PORT AUTHORITIES

SUBTITLE B. ROAD AND ROAD UTILITY DISTRICTS

TITLE 6. WATER AND WASTEWATER

SUBTITLE A. DRAINAGE DISTRICTS

SUBTITLE B. FRESH WATER SUPPLY DISTRICTS

SUBTITLE C. SPECIAL UTILITY DISTRICTS

SUBTITLE D. IRRIGATION DISTRICTS

SUBTITLE E. LEVEE IMPROVEMENT DISTRICTS

SUBTITLE F. MUNICIPAL UTILITY DISTRICTS

SUBTITLE G. RIVER AUTHORITIES

SUBTITLE H. DISTRICTS GOVERNING GROUNDWATER

SUBTITLE I. WATER CONTROL AND IMPROVEMENT DISTRICTS

SUBTITLE J. WATER IMPROVEMENT DISTRICTS

SUBTITLE K. SEAWALL COMMISSIONS

SUBTITLE X. DISTRICTS WITH COMBINED POWERS

TITLE 1. GENERAL PROVISIONS

TITLE 2. ENVIRONMENT AND SANITATION

SUBTITLE A. SOLID WASTE MANAGEMENT

TITLE 3. HEALTH

SUBTITLE A. HOSPITAL DISTRICTS

TITLE 4. DEVELOPMENT AND IMPROVEMENT

SUBTITLE A. AGRICULTURE

SUBTITLE B. DEFENSE BASE DEVELOPMENT

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SUBTITLE J. WATER IMPROVEMENT DISTRICTS

SUBTITLE K. SEAWALL COMMISSIONS

SUBTITLE X. DISTRICTS WITH COMBINED POWERS

SECTION 2. CONFORMING AMENDMENT. (Pages 446 - 454 of bill.)

SECTION 3. CONFORMING AMENDMENT. (Pages 454 - 456 of bill.)

SECTION 4. CONFORMING AMENDMENT. (Pages 456 - 467 of bill.)

SECTION 5. CONFORMING AMENDMENT. (Pages 467 - 470 of bill.)

SECTION 6. REPEALER. (Pages 470 - 473 of bill.)

SECTION 7. LEGISLATIVE INTENT OF NO SUBSTANTIVE CHANGE. (Page 473 of bill.)

SECTION 8. PRESERVATION OF VALIDATION MADE BY PREVIOUS LAW. (Page 473 of bill.)

SECTION 9. EFFECTIVE DATE. This Act takes effect April 1, 2005.

ENROLLED

F

H.B. No. 3508

AN ACT

relating to the adoption of a nonsubstantive revision of local laws concerning special districts, including conforming amendments.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. ADOPTION OF CODE. The Special District Local Laws Code is adopted to read as follows:

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 1. GENERAL PROVISIONS

CHAPTER 1. GENERAL PROVISIONS

[Chapters 2-20 reserved for expansion]

TITLE 2. ENVIRONMENT AND SANITATION

SUBTITLE A. SOLID WASTE MANAGEMENT

[Chapters 21-1000 reserved for expansion]

TITLE 3. HEALTH

SUBTITLE A. HOSPITAL DISTRICTS

[Chapter 1001 reserved for expansion]

CHAPTER 1002. ANGLETON-DANBURY HOSPITAL DISTRICT OF BRAZORIA

COUNTY, TEXAS

CHAPTER 1003. BOOKER HOSPITAL DISTRICT

[Chapters 1004-3000 reserved for expansion]

TITLE 4. DEVELOPMENT AND IMPROVEMENT

SUBTITLE A. AGRICULTURE

CHAPTER 3001. SOUTHEAST TEXAS AGRICULTURAL DEVELOPMENT

DISTRICT

[Chapters 3002-3500 reserved for expansion]

SUBTITLE B. DEFENSE BASE DEVELOPMENT

CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY

CHAPTER 3502. WESTWORTH VILLAGE-WHITE SETTLEMENT REDEVELOPMENT  
AUTHORITY

[Chapters 3503-3800 reserved for expansion]

SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT

CHAPTER 3801. HOUSTON DOWNTOWN MANAGEMENT DISTRICT

CHAPTER 3802. WESTCHASE DISTRICT

CHAPTER 3803. GREATER GREENSPPOINT MANAGEMENT DISTRICT  
OF HARRIS COUNTY

CHAPTER 3804. FIRST COLONY MANAGEMENT DISTRICT

CHAPTER 3805. UPPER KIRBY MANAGEMENT DISTRICT

CHAPTER 3806. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2

CHAPTER 3807. GREATER EAST END MANAGEMENT DISTRICT

CHAPTER 3808. EAST DOWNTOWN MANAGEMENT DISTRICT

CHAPTER 3809. MIDTOWN MANAGEMENT DISTRICT

CHAPTER 3810. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT  
NO. 1

CHAPTER 3811. NEAR NORTHWEST MANAGEMENT DISTRICT

CHAPTER 3812. GREATER NORTHSIDE MANAGEMENT DISTRICT

CHAPTER 3813. OLD TOWN SPRING IMPROVEMENT DISTRICT

CHAPTER 3814. ENERGY CORRIDOR MANAGEMENT DISTRICT

CHAPTER 3815. GREATER SOUTHEAST MANAGEMENT DISTRICT

CHAPTER 3816. FRISCO SQUARE MANAGEMENT DISTRICT

CHAPTER 3817. ALDINE COMMUNITY IMPROVEMENT DISTRICT

[Chapters 3818-5000 reserved for expansion]

1 TITLE 5. TRANSPORTATION

2 SUBTITLE A. NAVIGATION DISTRICTS AND PORT AUTHORITIES

3 CHAPTER 5001. ARANSAS COUNTY NAVIGATION DISTRICT NO. 1

4 [Chapters 5002-5200 reserved for expansion]

5 SUBTITLE B. ROAD AND ROAD UTILITY DISTRICTS

6 [Chapters 5201-6600 reserved for expansion]

7 TITLE 6. WATER AND WASTEWATER

8 SUBTITLE A. DRAINAGE DISTRICTS

9 CHAPTER 6601. ANGLETON DRAINAGE DISTRICT

10 [Chapters 6602-6900 reserved for expansion]

11 SUBTITLE B. FRESH WATER SUPPLY DISTRICTS

12 CHAPTER 6901. BAYVIEW MUNICIPAL UTILITY DISTRICT OF

13 GALVESTON COUNTY

14 [Chapters 6902-7200 reserved for expansion]

15 SUBTITLE C. SPECIAL UTILITY DISTRICTS

16 [Chapters 7201-7500 reserved for expansion]

17 SUBTITLE D. IRRIGATION DISTRICTS

18 [Chapters 7501-7800 reserved for expansion]

19 SUBTITLE E. LEVEE IMPROVEMENT DISTRICTS

20 CHAPTER 7801. BOIS D'ARC ISLAND LEVEE IMPROVEMENT DISTRICT

21 OF DALLAS AND KAUFMAN COUNTIES

22 [Chapters 7802-8100 reserved for expansion]

23 SUBTITLE F. MUNICIPAL UTILITY DISTRICTS

24 CHAPTER 8101. ATHENS MUNICIPAL WATER AUTHORITY

25 CHAPTER 8102. ADDICKS UTILITY DISTRICT

26 [Chapters 8103-8500 reserved for expansion]

27 SUBTITLE G. RIVER AUTHORITIES

CHAPTER 8501. ANGELINA AND NECHES RIVER AUTHORITY

[Chapters 8502-8800 reserved for expansion]

SUBTITLE H. DISTRICTS GOVERNING GROUNDWATER

CHAPTER 8801. HARRIS-GALVESTON COASTAL SUBSIDENCE DISTRICT

[Chapters 8802-9000 reserved for expansion]

SUBTITLE I. WATER CONTROL AND IMPROVEMENT DISTRICTS

[Chapters 9001 and 9002 reserved for expansion]

CHAPTER 9003. AQUILLA-HACKBERRY CREEK CONSERVATION DISTRICT

[Chapters 9004-9300 reserved for expansion]

SUBTITLE J. WATER IMPROVEMENT DISTRICTS

CHAPTER 9301. CAMERON COUNTY WATER IMPROVEMENT DISTRICT

NUMBER TEN

[Chapters 9302-9500 reserved for expansion]

SUBTITLE K. SEAWALL COMMISSIONS

CHAPTER 9501. SEAWALL COMMISSION IN MATAGORDA COUNTY

[Chapters 9502-11000 reserved for expansion]

SUBTITLE X. DISTRICTS WITH COMBINED POWERS

CHAPTER 11001. ROAD DISTRICT AUTHORITY OF BASTROP COUNTY

WATER CONTROL AND IMPROVEMENT DISTRICT

NO. 2

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 1. GENERAL PROVISIONS

CHAPTER 1. GENERAL PROVISIONS

Sec. 1.001. PURPOSE OF CODE

Sec. 1.002. CONSTRUCTION OF CODE

Sec. 1.003. REFERENCE IN LAW TO STATUTE REVISED BY CODE

CHAPTER 1. GENERAL PROVISIONS



1           Sec. 1.001. PURPOSE OF CODE. (a) This code is enacted as  
2 a part of the state's continuing statutory revision program, begun  
3 by the Texas Legislative Council in 1963 as directed by the  
4 legislature in the law codified as Section 323.007, Government  
5 Code. The program contemplates a topic-by-topic revision of the  
6 state's general and permanent statute law without substantive  
7 change.

8           (b) Consistent with the objectives of the statutory  
9 revision program, the purpose of this code is to make the law  
10 encompassed by this code more accessible and understandable by:

11           (1) rearranging the statutes into a more logical  
12 order;

13           (2) employing a format and numbering system designed  
14 to facilitate citation of the law and to accommodate future  
15 expansion of the law;

16           (3) eliminating repealed, duplicative,  
17 unconstitutional, expired, executed, and other ineffective  
18 provisions; and

19           (4) restating the law in modern American English to  
20 the greatest extent possible. (New.)

21           Sec. 1.002. CONSTRUCTION OF CODE. Chapter 311, Government  
22 Code (Code Construction Act), applies to the construction of each  
23 provision in this code except as otherwise expressly provided by  
24 this code. (New.)

25           Sec. 1.003. REFERENCE IN LAW TO STATUTE REVISED BY CODE. A  
26 reference in a law to a statute or a part of a statute revised by  
27 this code is considered to be a reference to the part of this code

that revises that statute or part of that statute. (New.)

[Chapters 2-20 reserved for expansion]

TITLE 2. ENVIRONMENT AND SANITATION

SUBTITLE A. SOLID WASTE MANAGEMENT

[Chapters 21-1000 reserved for expansion]

TITLE 3. HEALTH

SUBTITLE A. HOSPITAL DISTRICTS

[Chapter 1001 reserved for expansion]

CHAPTER 1002. ANGLETON-DANBURY HOSPITAL DISTRICT OF  
BRAZORIA COUNTY, TEXAS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1002.001. DEFINITIONS

Sec. 1002.002. AUTHORITY FOR CREATION

Sec. 1002.003. POLITICAL SUBDIVISION

Sec. 1002.004. DISTRICT TERRITORY

Sec. 1002.005. CORRECTION OF INVALID PROCEDURES

Sec. 1002.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
OBLIGATION

[Sections 1002.007-1002.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1002.051. BOARD OF DIRECTORS; ELECTION

Sec. 1002.052. BOND; RECORD OF BOND AND OATH OF OFFICE

Sec. 1002.053. BOARD VACANCY

Sec. 1002.054. OFFICERS

Sec. 1002.055. COMPENSATION; REIMBURSEMENT

Sec. 1002.056. VOTING REQUIREMENT

Sec. 1002.057. RECRUITMENT OF STAFF AND EMPLOYEES

1 Sec. 1002.058. STAFF PHYSICIAN OFFICE FACILITIES

2 Sec. 1002.059. HEALTH EDUCATION PROGRAMS FOR STAFF

3 AND EMPLOYEES

4 Sec. 1002.060. RETIREMENT BENEFITS

5 [Sections 1002.061-1002.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 1002.101. DISTRICT RESPONSIBILITY

8 Sec. 1002.102. LIMITATION ON CERTAIN POLITICAL SUBDIVISIONS

9 Sec. 1002.103. POWERS OF BOARD

10 Sec. 1002.104. HOSPITAL SYSTEM

11 Sec. 1002.105. OPERATING, MANAGEMENT, OR CONSULTING

12 CONTRACTS

13 Sec. 1002.106. PROVISION OF SERVICES OUTSIDE DISTRICT

14 Sec. 1002.107. EMINENT DOMAIN

15 Sec. 1002.108. GIFTS AND ENDOWMENTS

16 Sec. 1002.109. AUTHORITY TO SUE AND BE SUED

17 [Sections 1002.110-1002.150 reserved for expansion]

18 SUBCHAPTER D. CHANGE IN BOUNDARIES

19 Sec. 1002.151. PETITION TO EXPAND DISTRICT TERRITORY

20 Sec. 1002.152. NOTICE OF HEARING

21 Sec. 1002.153. ORDER OF ANNEXATION

22 Sec. 1002.154. RATIFICATION ELECTION

23 Sec. 1002.155. ASSUMPTION OF DEBTS AND TAXES

24 [Sections 1002.156-1002.200 reserved for expansion]

25 SUBCHAPTER E. DISSOLUTION

26 Sec. 1002.201. DISSOLUTION; ELECTION

27 Sec. 1002.202. NOTICE OF ELECTION

1   Sec. 1002.203.   BALLOT  
2   Sec. 1002.204.   ELECTION RESULTS  
3   Sec. 1002.205.   TRANSFER OR ADMINISTRATION OF ASSETS  
4   Sec. 1002.206.   SALE OR TRANSFER OF ASSETS AND LIABILITIES  
5   Sec. 1002.207.   IMPOSITION OF TAX AND RETURN OF  
6                    SURPLUS TAXES  
7   Sec. 1002.208.   REPORT; DISSOLUTION ORDER  
8           [Sections 1002.209-1002.250 reserved for expansion]  
9                    SUBCHAPTER F.   DISTRICT FUNDS  
10  Sec. 1002.251.   DEPOSITORY  
11  Sec. 1002.252.   AUTHORITY TO BORROW MONEY; SECURITY  
12       [Sections 1002.253-1002.300 reserved for expansion]  
13                    SUBCHAPTER G.   BONDS  
14  Sec. 1002.301.   GENERAL OBLIGATION BONDS  
15  Sec. 1002.302.   TAXES TO PAY GENERAL OBLIGATION BONDS  
16  Sec. 1002.303.   GENERAL OBLIGATION BOND ELECTION  
17  Sec. 1002.304.   EXECUTION OF GENERAL OBLIGATION BONDS  
18  Sec. 1002.305.   INVESTMENT OF GENERAL OBLIGATION BOND  
19                    PROCEEDS  
20  Sec. 1002.306.   REVENUE BONDS  
21       [Sections 1002.307-1002.350 reserved for expansion]  
22                    SUBCHAPTER H.   TAXES  
23  Sec. 1002.351.   IMPOSITION OF TAXES  
24  Sec. 1002.352.   TAX ASSESSOR-COLLECTOR  
25       CHAPTER 1002.   ANGLETON-DANBURY HOSPITAL DISTRICT OF  
26                    BRAZORIA COUNTY, TEXAS  
27                    SUBCHAPTER A.   GENERAL PROVISIONS

1           Sec. 1002.001. DEFINITIONS. In this chapter:

2                   (1) "Board" means the board of directors of the  
3 district.

4                   (2) "District" means the Angleton-Danbury Hospital  
5 District of Brazoria County, Texas.

6                   (3) "Director" means a member of the board. (New.)

7           Sec. 1002.002. AUTHORITY       FOR       CREATION.           The  
8 Angleton-Danbury Hospital District of Brazoria County, Texas, is  
9 created under the authority of Section 9, Article IX, Texas  
10 Constitution. (Acts 60th Leg., R.S., Ch. 120, Sec. 1 (part).)

11           Sec. 1002.003. POLITICAL SUBDIVISION. The district is a  
12 political subdivision of this state. (Acts 60th Leg., R.S., Ch.  
13 120, Sec. 15 (part).)

14           Sec. 1002.004. DISTRICT TERRITORY. (a) The district is  
15 composed of the territory described by Section 1, Chapter 120, Acts  
16 of the 60th Legislature, Regular Session, 1967, as that territory  
17 may have been modified under:

18                   (1) Subchapter D or its predecessor statute, Section  
19 4a, Chapter 120, Acts of the 60th Legislature, Regular Session,  
20 1967; or

21                   (2) other law.

22           (b) The legislature finds that the boundaries and field  
23 notes of the district contained in Section 1, Chapter 120, Acts of  
24 the 60th Legislature, Regular Session, 1967, form a closure. A  
25 mistake in the field notes or in copying the field notes in the  
26 legislative process does not affect:

27                   (1) the organization, existence, or validity of the

1 district;

2 (2) the right of the district to issue bonds;

3 (3) the right of the district to impose taxes; or

4 (4) the legality or operation of the district in any  
5 other manner. (Acts 60th Leg., R.S., Ch. 120, Sec. 1 (part); New.)

6 Sec. 1002.005. CORRECTION OF INVALID PROCEDURES. If a  
7 court holds that any procedure under this chapter violates the  
8 constitution of this state or of the United States, the district by  
9 resolution may provide an alternative procedure that conforms with  
10 the constitution. (Acts 60th Leg., R.S., Ch. 120, Sec. 17 (part).)

11 Sec. 1002.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
12 OBLIGATION. The support and maintenance of the district's  
13 hospital system may not become a charge against or obligation of  
14 this state. (Acts 60th Leg., R.S., Ch. 120, Sec. 8 (part).)

15 [Sections 1002.007-1002.050 reserved for expansion]

16 SUBCHAPTER B. DISTRICT ADMINISTRATION

17 Sec. 1002.051. BOARD OF DIRECTORS; ELECTION. (a) The  
18 board consists of nine persons elected as provided by this section.

19 (b) For the purpose of electing a board, the district is  
20 divided into three areas:

21 (1) Area Angleton, composed of:

22 (A) all territory within Brazoria County  
23 election precincts Nos. 1, 2, and 5 that is within the boundaries of  
24 the Angleton Independent School District, as those precincts and  
25 those boundaries existed on January 1, 1967; and

26 (B) that part of Brazoria County election  
27 precinct No. 6 that is west of Chocolate Bayou and within the

1 boundaries of the Angleton Independent School District, as that  
2 precinct and those boundaries existed on January 1, 1967;

3 (2) Area Danbury, composed of all territory within the  
4 boundaries of the Danbury Independent School District, as those  
5 boundaries existed on January 1, 1967; and

6 (3) Area Rosharon, composed of:

7 (A) all territory within Brazoria County  
8 election precinct No. 9 that is not within the boundaries of the  
9 Danbury Independent School District, as that precinct and those  
10 boundaries existed on January 1, 1967; and

11 (B) all territory within Brazoria County  
12 election precinct No. 21 that is not within the boundaries of the  
13 Manvel Independent School District, as that precinct and those  
14 boundaries existed on January 1, 1967.

15 (c) A change in the boundaries of an election precinct or a  
16 school district does not affect or change the boundaries of an area  
17 prescribed by Subsection (b).

18 (d) Eight directors are elected by position and one director  
19 is elected at large. The persons elected for Director, Position  
20 Nos. 1, 2, 3, 4, and 5 must be residents of Area Angleton. The  
21 persons elected for Director, Position Nos. 6 and 7 must be  
22 residents of Area Danbury. The person elected for Director,  
23 Position No. 8 must be a resident of Area Rosharon. The director  
24 elected for Position No. 9 must be a resident of the district at  
25 large.

26 (e) At each directors' election, all qualified voters of the  
27 district may vote for directors. The candidate for a position

1 receiving the highest number of votes for election to that position  
2 is a director for the district.

3 (f) Directors serve staggered two-year terms unless  
4 four-year terms are established under Section 285.081, Health and  
5 Safety Code. If the directors serve two-year terms, the terms of  
6 directors elected to odd-numbered positions expire in  
7 even-numbered years and the terms of directors elected to  
8 even-numbered positions expire in odd-numbered years. (Acts 60th  
9 Leg., R.S., Ch. 120, Sec. 4 (part).)

10 Sec. 1002.052. BOND; RECORD OF BOND AND OATH OF  
11 OFFICE. (a) Each director shall execute a good and sufficient  
12 bond for \$5,000 that is:

13 (1) approved by the Commissioners Court of Brazoria  
14 County and the board;

15 (2) payable to the district; and

16 (3) conditioned on the faithful performance of the  
17 director's duties.

18 (b) The bond and the constitutional oath of office shall be  
19 kept in the permanent records of the district. (Acts 60th Leg.,  
20 R.S., Ch. 120, Sec. 4 (part).)

21 Sec. 1002.053. BOARD VACANCY. (a) If a vacancy occurs in  
22 the office of director, the remaining directors shall appoint a  
23 director for the remainder of the unexpired term.

24 (b) If the number of directors is reduced to less than five,  
25 the remaining directors shall immediately call a special election  
26 to fill the vacancies. On application of any voter or taxpayer of  
27 the district when the board fails to call an election, a district



1 court may order the directors to hold the election. (Acts 60th  
2 Leg., R.S., Ch. 120, Sec. 7 (part).)

3 Sec. 1002.054. OFFICERS. The board shall elect a president  
4 and a secretary from among the directors to serve until the next  
5 directors election. (Acts 60th Leg., R.S., Ch. 120, Sec. 7 (part).)

6 Sec. 1002.055. COMPENSATION; REIMBURSEMENT. A director  
7 serves without compensation but may be reimbursed for actual  
8 expenses incurred by the director in the performance of official  
9 duties on the approval of the expenses by the board. (Acts 60th  
10 Leg., R.S., Ch. 120, Sec. 7 (part).)

11 Sec. 1002.056. VOTING REQUIREMENT. A concurrence of five  
12 directors is sufficient in any matter relating to the business of  
13 the district. (Acts 60th Leg., R.S., Ch. 120, Sec. 7 (part).)

14 Sec. 1002.057. RECRUITMENT OF STAFF AND EMPLOYEES. The  
15 board may spend district money, enter into agreements, and take  
16 other necessary action to recruit physicians and other persons to  
17 serve as medical staff members or district employees, including:

- 18 (1) advertising and marketing;  
19 (2) paying travel, recruitment, and relocation  
20 expenses; and  
21 (3) providing a loan or scholarship to a physician, or  
22 a person currently enrolled in health care education courses at an  
23 institution of higher education, who contractually agrees to become  
24 a medical staff member or district employee. (Acts 60th Leg., R.S.,  
25 Ch. 120, Sec. 7A(c).)

26 Sec. 1002.058. STAFF PHYSICIAN OFFICE FACILITIES. (a) The  
27 board shall determine the type, number, and location of buildings

1 necessary to establish and maintain office facilities for staff  
2 physicians to provide adequate medical care.

3 (b) The board may:

4 (1) acquire property and equipment and construct  
5 facilities for the district for use by staff physicians; and

6 (2) mortgage or pledge the property, equipment, or  
7 facilities as security for the payment of the purchase price or  
8 construction cost.

9 (c) The board may lease the office facilities and equipment  
10 to staff physicians or may sell or otherwise dispose of the  
11 property, facilities, and equipment. (Acts 60th Leg., R.S., Ch.  
12 120, Secs. 12A(a), (b), (c).)

13 Sec. 1002.059. HEALTH EDUCATION PROGRAMS FOR STAFF AND  
14 EMPLOYEES. The board may spend district money, enter into  
15 agreements, and take other necessary action to conduct, participate  
16 in, or otherwise assist in providing health care educational  
17 programs for current or prospective medical staff members or  
18 district employees. (Acts 60th Leg., R.S., Ch. 120, Sec. 7A(d).)

19 Sec. 1002.060. RETIREMENT BENEFITS. The board may provide  
20 retirement benefits for district employees by:

21 (1) establishing or administering a retirement  
22 program; or

23 (2) participating in:

24 (A) the Texas County and District Retirement  
25 System; or

26 (B) another statewide retirement system in which  
27 the district is eligible to participate. (Acts 60th Leg., R.S., Ch.

120, Sec. 7A(e).)

[Sections 1002.061-1002.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1002.101. DISTRICT RESPONSIBILITY. The district has full responsibility for providing medical and hospital care for the district's needy residents. (Acts 60th Leg., R.S., Ch. 120, Sec. 2(a) (part).)

Sec. 1002.102. LIMITATION ON CERTAIN POLITICAL SUBDIVISIONS. A political subdivision other than the district in Brazoria County may not impose taxes or issue bonds or other obligations for hospital purposes or to provide medical care for district residents. (Acts 60th Leg., R.S., Ch. 120, Sec. 2(a) (part).)

Sec. 1002.103. POWERS OF BOARD. (a) The board has all powers necessary, convenient, or incidental to carry out the purposes for which the district was created.

(b) The board has the complete management and control of all the business of the district, including the power to negotiate and contract with any person to purchase or lease land, to construct and equip a hospital system, to operate and maintain a hospital or hospitals, and to negotiate and contract with other political subdivisions of the state or private individuals, associations, or corporations for those purposes, all as may be determined to be necessary or desirable for the district by the board.

(c) This section is not a limitation on the powers of the board. (Acts 60th Leg., R.S., Ch. 120, Secs. 4 (part), 7 (part).)

Sec. 1002.104. HOSPITAL SYSTEM. (a) The district shall

1 provide for the establishment of a hospital or hospital system  
2 within the district's boundaries to provide health care services to  
3 persons residing in the district by:

- 4 (1) purchasing, constructing, acquiring, repairing,  
5 or renovating buildings and improvements;
- 6 (2) equipping the buildings and improvements; and
- 7 (3) administering the buildings and improvements for  
8 hospital purposes.

9 (b) The hospital system may include any facility or  
10 equipment the board considers necessary or appropriate for  
11 providing health care services, including:

- 12 (1) domiciliary care and treatment of sick, injured,  
13 or geriatric patients;
- 14 (2) outpatient clinics;
- 15 (3) rural health clinics;
- 16 (4) convalescent home facilities;
- 17 (5) assisted living or personal care facilities;
- 18 (6) physicians' offices;
- 19 (7) home health care services;
- 20 (8) durable medical equipment;
- 21 (9) long-term care;
- 22 (10) skilled and intermediate nursing care;
- 23 (11) preventive care services;
- 24 (12) ancillary support;
- 25 (13) pharmacies;
- 26 (14) hospice care;
- 27 (15) community mental health centers; and

1           (16) alcohol or chemical dependency centers.

2           (c) The district may operate or assist in the operation of a  
3 mobile emergency medical service as part of the hospital system.  
4 (Acts 60th Leg., R.S., Ch. 120, Secs. 2(a) (part), (b).)

5           Sec. 1002.105. OPERATING, MANAGEMENT, OR CONSULTING  
6 CONTRACTS. (a) The board may enter into an operating,  
7 management, or consulting contract to obtain management or  
8 consulting services for the district or for any portion of the  
9 district. The contract must provide that the board retains  
10 responsibility for and control of the district's operation.

11           (b) A company providing services to the district under the  
12 contract, and the officers, directors, and employees of the  
13 company, while performing services under the contract for the  
14 benefit of the district:

15           (1) are solely employees of the district for purposes  
16 of any determination regarding the immunity or liability of the  
17 company or its officers, directors, and employees; and

18           (2) have immunity or limited liability under laws  
19 applicable to district employees, whether statutory or common law,  
20 to the extent a district employee would be entitled under the same  
21 circumstances. (Acts 60th Leg., R.S., Ch. 120, Sec. 7A(a).)

22           Sec. 1002.106. PROVISION OF SERVICES OUTSIDE  
23 DISTRICT. Subject to the approval of the board, the district may  
24 provide primary care, emergency services, preventive medical  
25 services, and other health-related services outside the district if  
26 the services serve the purpose of the district as established by  
27 this chapter. (Acts 60th Leg., R.S., Ch. 120, Sec. 7A(b).)

1           Sec. 1002.107. EMINENT DOMAIN. (a) The district may  
2   exercise the power of eminent domain to acquire a fee simple or  
3   other interest in any type of property, real, personal, or mixed,  
4   located in the territory of the district if the interest is  
5   necessary or convenient for the district to exercise the rights,  
6   powers, privileges, or functions conferred by this chapter.

7           (b) The district must exercise the power of eminent domain  
8   in the manner provided by Chapter 21, Property Code, but the  
9   district is not required to deposit in the trial court money or a  
10   bond as provided by Section 21.021(a), Property Code.

11          (c) In a condemnation proceeding brought by the district,  
12   the district is not required to:

13                 (1) pay in advance or provide bond or other security  
14   for costs in the trial court;

15                 (2) provide bond for the issuance of a temporary  
16   restraining order or a temporary injunction; or

17                 (3) provide bond for cost or supersedeas on an appeal  
18   or writ of error. (Acts 60th Leg., R.S., Ch. 120, Sec. 11.)

19          Sec. 1002.108. GIFTS AND ENDOWMENTS. (a) The board may  
20   accept for the district a gift or endowment to be held in trust and  
21   administered by the board for the purposes and under the  
22   directions, limitations, or provisions prescribed in writing by the  
23   donor that are not inconsistent with the proper management and  
24   objectives of the district.

25          (b) This section is not a limitation on the authority of the  
26   board. (Acts 60th Leg., R.S., Ch. 120, Sec. 16.)

27          Sec. 1002.109. AUTHORITY TO SUE AND BE SUED. As a

1 government agency, the district may sue and be sued in its own name  
2 in any court of this state. (Acts 60th Leg., R.S., Ch. 120, Sec. 15  
3 (part).)

4 [Sections 1002.110-1002.150 reserved for expansion]

5 SUBCHAPTER D. CHANGE IN BOUNDARIES

6 Sec. 1002.151. PETITION TO EXPAND DISTRICT  
7 TERRITORY. (a) Territory may be added to the district on a  
8 petition for annexation signed by the owners of a majority in value  
9 of the land sought to be annexed, as shown by the county tax rolls.

10 (b) The petition must be filed with the secretary of the  
11 board. (Acts 60th Leg., R.S., Ch. 120, Sec. 4a (part).)

12 Sec. 1002.152. NOTICE OF HEARING. (a) The board shall  
13 pass an order fixing a time and place at which the petition shall be  
14 heard.

15 (b) The secretary shall issue notice of the time and place  
16 of the hearing. The notice must describe the territory proposed to  
17 be annexed by metes and bounds or by lot and block number, if there  
18 is a recorded map or plat and survey of the land.

19 (c) Notice of the hearing shall be given by publication of a  
20 copy of the notice in a newspaper of general circulation in Brazoria  
21 County at least one time, the date of the first publication to be at  
22 least 10 days before the date of the hearing. (Acts 60th Leg.,  
23 R.S., Ch. 120, Sec. 4a (part).)

24 Sec. 1002.153. ORDER OF ANNEXATION. If, after hearing the  
25 petition, the board finds that the proposed annexation is to the  
26 advantage of the district and to the territory to be annexed, the  
27 board may by order annex the territory to the district. (Acts 60th

1 Leg., R.S., Ch. 120, Sec. 4a (part).)

2 Sec. 1002.154. RATIFICATION ELECTION. (a) Annexation of  
3 the territory does not become final until ratified by a majority  
4 vote at a separate election held within the boundaries of the  
5 district and by a majority vote at a separate election held within  
6 the territory to be annexed.

7 (b) The election must be called by the board on its own  
8 motion. The order calling the election shall specify the date, the  
9 place or places where the election shall be held, and the presiding  
10 election officers.

11 (c) Notice of the election shall be given by publishing a  
12 substantial copy of the order calling the election in a newspaper of  
13 general circulation in Brazoria County once a week for two  
14 consecutive weeks, the date of the first publication to be at least  
15 14 days before the date set for the election. (Acts 60th Leg.,  
16 R.S., Ch. 120, Sec. 4a (part).)

17 Sec. 1002.155. ASSUMPTION OF DEBTS AND TAXES. If the  
18 district has outstanding debts or taxes, the proposition for  
19 assumption of its proportion of the debts or taxes by the territory  
20 if annexed shall also be submitted at the election. The annexed  
21 territory shall bear its pro rata part of all indebtedness or taxes  
22 that may be owed, contracted, or authorized by the district. (Acts  
23 60th Leg., R.S., Ch. 120, Sec. 4a (part).)

24 [Sections 1002.156-1002.200 reserved for expansion]

25 SUBCHAPTER E. DISSOLUTION

26 Sec. 1002.201. DISSOLUTION; ELECTION. (a) The district  
27 may be dissolved only on approval of a majority of the voters voting



1 in an election held for that purpose.

2 (b) The board may order an election on the question of  
3 dissolving the district and disposing of the district's assets and  
4 obligations.

5 (c) The board shall order an election on the question of  
6 dissolution of the district if the board receives a petition  
7 requesting an election that is signed by a number of residents of  
8 the district equal to at least 15 percent of the registered voters  
9 in the district.

10 (d) The election shall be held not later than the 60th day  
11 after the date the election is ordered.

12 (e) The order calling the election must state:

13 (1) the nature of the election, including the  
14 proposition that is to appear on the ballot;

15 (2) the date of the election;

16 (3) the hours during which the polls will be open; and

17 (4) the location of the polling places.

18 (f) Section 41.001(a), Election Code, does not apply to an  
19 election ordered under this section. (Acts 60th Leg., R.S., Ch.  
20 120, Secs. 20(a), (b), (c).)

21 Sec. 1002.202. NOTICE OF ELECTION. (a) The board shall  
22 give notice of the election by publishing a substantial copy of the  
23 election order in a newspaper with general circulation in the  
24 district once a week for two consecutive weeks.

25 (b) The first publication must appear at least 35 days  
26 before the date set for election. (Acts 60th Leg., R.S., Ch. 120,  
27 Sec. 20(d) (part).)

1           Sec. 1002.203. BALLOT. The ballot for the election shall  
2 be printed to permit voting for or against the proposition: "The  
3 dissolution of the Angleton-Danbury Hospital District of Brazoria  
4 County, Texas." (Acts 60th Leg., R.S., Ch. 120, Sec. 20(d) (part).)

5           Sec. 1002.204. ELECTION RESULTS. (a) If a majority of the  
6 votes in the election favor dissolution, the board shall find that  
7 the district is dissolved.

8           (b) If a majority of the votes in the election do not favor  
9 dissolution, the board shall continue to administer the district  
10 and another election on the question of dissolution may not be held  
11 before the first anniversary of the date of the most recent election  
12 to dissolve the district. (Acts 60th Leg., R.S., Ch. 120, Sec.  
13 20(e).)

14           Sec. 1002.205. TRANSFER           OR           ADMINISTRATION           OF  
15 ASSETS. (a) If a majority of the votes in the election held under  
16 this subchapter favor dissolution, the board shall:

17           (1) transfer the land, buildings, improvements,  
18 equipment, and other assets that belong to the district to Brazoria  
19 County or another governmental agency in Brazoria County; or

20           (2) administer the property, assets, and debts until  
21 all funds have been disposed of and all district debts have been  
22 paid or settled.

23           (b) If the board makes the transfer under Subsection (a)(1),  
24 the county or agency assumes all debts and obligations of the  
25 district at the time of the transfer, and the district is dissolved.  
26 (Acts 60th Leg., R.S., Ch. 120, Secs. 20(f), (g).)

27           Sec. 1002.206. SALE           OR           TRANSFER           OF           ASSETS           AND

1 LIABILITIES. (a) Notwithstanding any other provision of this  
2 subchapter, the district may not be dissolved unless the board  
3 provides for the sale or transfer of the district's assets and  
4 liabilities to another person or entity.

5 (b) The dissolution of the district and the sale or transfer  
6 of the district's assets or liabilities may not contravene a trust  
7 indenture or bond resolution relating to the outstanding bonds of  
8 the district. The dissolution and sale or transfer does not  
9 diminish or impair the rights of a holder of an outstanding bond,  
10 warrant, or other obligation of the district.

11 (c) The sale or transfer of the district's assets and  
12 liabilities must satisfy the debt and bond obligations of the  
13 district in a manner that protects the interests of the residents of  
14 the district, including the residents' collective property rights  
15 in the district's assets. The district may not transfer or dispose  
16 of the district's assets except for due compensation unless the  
17 transfer is made to another governmental agency that serves the  
18 district and the transferred assets are to be used for the benefit  
19 of the residents of the district.

20 (d) A grant from federal funds is an obligation to be repaid  
21 in satisfaction. (Acts 60th Leg., R.S., Ch. 120, Secs. 20(m), (n).)

22 Sec. 1002.207. IMPOSITION OF TAX AND RETURN OF SURPLUS  
23 TAXES. (a) After the board finds that the district is dissolved,  
24 the board shall:

- 25 (1) determine the debt owed by the district; and  
26 (2) impose on the property included in the district's  
27 tax rolls a tax that is in proportion of the debt to the property

1 value.

2 (b) When all outstanding debts and obligations of the  
3 district are paid, the board shall order the secretary to return the  
4 pro rata share of all unused tax money to each district taxpayer.

5 (c) A taxpayer may request that the taxpayer's share of  
6 surplus tax money be credited to the taxpayer's county taxes. If a  
7 taxpayer requests the credit, the board shall direct the secretary  
8 to transmit the funds to the county tax assessor-collector. (Acts  
9 60th Leg., R.S., Ch. 120, Secs. 20(h), (i), (j).)

10 Sec. 1002.208. REPORT; DISSOLUTION ORDER. (a) After the  
11 district has paid all its debts and has disposed of all its assets  
12 and funds as prescribed by this subchapter, the board shall file a  
13 written report with the Commissioners Court of Brazoria County  
14 summarizing the board's actions in dissolving the district.

15 (b) Not later than the 10th day after the date the  
16 Commissioners Court of Brazoria County receives the report and  
17 determines that the requirements of this subchapter have been  
18 fulfilled, the commissioners court shall enter an order dissolving  
19 the district and releasing the board from any further duty or  
20 obligation. (Acts 60th Leg., R.S., Ch. 120, Secs. 20(k), (l).)

21 [Sections 1002.209-1002.250 reserved for expansion]

22 SUBCHAPTER F. DISTRICT FUNDS

23 Sec. 1002.251. DEPOSITORY. As soon as practicable after  
24 the creation election results favorably to the creation of the  
25 district, the board shall by resolution designate a bank within the  
26 county as the district's depository, and all funds of the district  
27 shall be secured in the manner provided for the security of county

1 funds. Such depository shall serve for a period of two years and  
2 until a successor has been selected. (Acts 60th Leg., R.S., Ch.  
3 120, Sec. 10.)

4 Sec. 1002.252. AUTHORITY TO BORROW MONEY;  
5 SECURITY. (a) The board may borrow money for district  
6 obligations.

7 (b) To secure a loan, the board may pledge:

8 (1) revenue of the district that is not pledged to pay  
9 the district's bonded indebtedness;

10 (2) taxes to be imposed by the district in the next  
11 12-month period that are not pledged to pay the principal of or  
12 interest on district bonds; or

13 (3) district bonds that have been authorized but not  
14 sold.

15 (c) A loan for which taxes or bonds are pledged must mature  
16 not later than the first anniversary of the date on which the loan  
17 is made. A loan for which district revenues are pledged must mature  
18 not later than the fifth anniversary of the date on which the loan  
19 is made. (Acts 60th Leg., R.S., Ch. 120, Sec. 12B.)

20 [Sections 1002.253-1002.300 reserved for expansion]

21 SUBCHAPTER G. BONDS

22 Sec. 1002.301. GENERAL OBLIGATION BONDS. (a) The board  
23 may issue and sell bonds authorized by an election in the name and  
24 on the faith and credit of the district to:

25 (1) purchase, construct, acquire, repair, or renovate  
26 buildings or improvements; and

27 (2) equip buildings or improvements for hospital

1 purposes.

2 (b) The bonds shall be sold at the time, in the manner, and  
3 under the terms determined by the board. (Acts 60th Leg., R.S., Ch.  
4 120, Sec. 12 (part).)

5 Sec. 1002.302. TAXES TO PAY GENERAL OBLIGATION  
6 BONDS. (a) The board shall impose an annual ad valorem tax in an  
7 amount sufficient to create an interest and sinking fund to pay the  
8 principal of and interest on the general obligation bonds as they  
9 mature.

10 (b) The tax required by this section together with any other  
11 tax the district imposes in any year may not exceed 75 cents on the  
12 \$100 valuation of all taxable property in the district. (Acts 60th  
13 Leg., R.S., Ch. 120, Sec. 12 (part).)

14 Sec. 1002.303. GENERAL OBLIGATION BOND ELECTION. (a) The  
15 district may issue general obligation bonds only if the bonds are  
16 authorized by a majority of the voters voting in an election held  
17 for that purpose.

18 (b) The board may call the election on its own motion. The  
19 order calling the election must specify:

- 20 (1) the date of the election;  
21 (2) the place or places where the election will be  
22 held;  
23 (3) the names of the presiding election officers;  
24 (4) the purpose for which the bonds are to be issued;  
25 (5) the amount of the bonds;  
26 (6) the maximum interest rate of the bonds; and  
27 (7) the maximum maturity of the bonds, which may not

1 exceed 40 years from the date of issuance.

2 (c) Notice of a bond election shall be given by publishing a  
3 substantial copy of the order calling the election in a newspaper of  
4 general circulation in the district as provided by Section  
5 4.003(a)(1), Election Code. (Acts 60th Leg., R.S., Ch. 120, Sec. 12  
6 (part).)

7 Sec. 1002.304. EXECUTION OF GENERAL OBLIGATION BONDS. The  
8 board president shall execute the general obligation bonds in the  
9 name of the district. The board secretary shall countersign the  
10 bonds. (Acts 60th Leg., R.S., Ch. 120, Sec. 12 (part).)

11 Sec. 1002.305. INVESTMENT OF GENERAL OBLIGATION BOND  
12 PROCEEDS. Any part of the proceeds of general obligation bonds,  
13 until they are needed for the purpose for which the bonds were  
14 issued, may be invested in securities of the United States or  
15 placed on time deposit or in certificates of deposit. (Acts 60th  
16 Leg., R.S., Ch. 120, Sec. 12 (part).)

17 Sec. 1002.306. REVENUE BONDS. (a) The board may issue  
18 revenue bonds to:

19 (1) purchase, construct, repair, renovate, or acquire  
20 buildings, sites, or improvements and equip buildings, sites, or  
21 improvements for hospitals and the hospital system; and

22 (2) establish and maintain office facilities for staff  
23 physicians under Section 1002.058.

24 (b) The bonds must be payable from and secured by a pledge of  
25 all or part of the revenues derived from the operation of the  
26 district's hospital system, including district facilities.

27 (c) Bonds issued under Subsection (a)(1) may be

1 additionally secured by a mortgage or deed of trust lien on all or  
2 part of the district property.

3 (d) Bonds issued under Subsection (a)(1) must be issued in  
4 the manner provided by Sections 264.042, 264.043, 264.046, 264.047,  
5 264.048, and 264.049, Health and Safety Code.

6 (e) Bonds issued under Subsection (a)(2) must be issued in  
7 the manner provided by Sections 264.042-264.047(a), 264.048, and  
8 264.049, Health and Safety Code. (Acts 60th Leg., R.S., Ch. 120,  
9 Secs. 12A(d), (e).)

10 [Sections 1002.307-1002.350 reserved for expansion]

11 SUBCHAPTER H. TAXES

12 Sec. 1002.351. IMPOSITION OF TAXES. (a) The board shall  
13 impose on all property subject to district taxation, for the  
14 benefit of the district, a tax at a rate not to exceed 75 cents on  
15 each \$100 assessed value of the property according to the most  
16 recent certified appraisal roll of the district.

17 (b) The board shall impose the tax to:

18 (1) meet the requirements of the district's bonds;

19 (2) provide for the district's maintenance and  
20 operating expenses;

21 (3) make improvements and additions to the district's  
22 hospitals or hospital system; and

23 (4) acquire necessary sites for hospitals or the  
24 hospital system by gift, purchase, lease, or condemnation. (Acts  
25 60th Leg., R.S., Ch. 120, Sec. 8 (part).)

26 Sec. 1002.352. TAX ASSESSOR-COLLECTOR. The board may  
27 provide for the appointment of a tax assessor-collector for the



1 district or may contract for the assessment and collection of taxes  
2 as provided by the Tax Code. (Acts 60th Leg., R.S., Ch. 120, Sec. 9  
3 (part).)

4 CHAPTER 1003. BOOKER HOSPITAL DISTRICT

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 1003.001. DEFINITIONS

7 Sec. 1003.002. AUTHORITY FOR OPERATION

8 Sec. 1003.003. POLITICAL SUBDIVISION

9 Sec. 1003.004. DISTRICT TERRITORY

10 Sec. 1003.005. CORRECTION OF INVALID PROCEDURE

11 [Sections 1003.006-1003.050 reserved for expansion]

12 SUBCHAPTER B. DISTRICT ADMINISTRATION

13 Sec. 1003.051. BOARD

14 Sec. 1003.052. TERM; ELECTION

15 Sec. 1003.053. VACANCY

16 Sec. 1003.054. OFFICERS

17 Sec. 1003.055. COMPENSATION; EXPENSES

18 Sec. 1003.056. EMPLOYEES

19 Sec. 1003.057. MAINTENANCE OF RECORDS; PUBLIC

20 INSPECTION

21 Sec. 1003.058. SEAL

22 [Sections 1003.059-1003.100 reserved for expansion]

23 SUBCHAPTER C. POWERS AND DUTIES

24 Sec. 1003.101. DISTRICT RESPONSIBILITY

25 Sec. 1003.102. LIMITATION ON CERTAIN POLITICAL

26 SUBDIVISIONS

27 Sec. 1003.103. MANAGEMENT AND CONTROL

1    Sec. 1003.104.    HOSPITAL SYSTEM  
2    Sec. 1003.105.    RULES  
3    Sec. 1003.106.    PURCHASING AND ACCOUNTING PROCEDURES  
4    Sec. 1003.107.    EMINENT DOMAIN  
5    Sec. 1003.108.    GIFTS AND ENDOWMENTS  
6    Sec. 1003.109.    PAYMENT FOR TREATMENT; PROCEDURES  
7    Sec. 1003.110.    AUTHORITY TO SUE AND BE SUED  
8            [Sections 1003.111-1003.150 reserved for expansion]  
9                        SUBCHAPTER D.    GENERAL FINANCIAL PROVISIONS  
10   Sec. 1003.151.    BUDGET  
11   Sec. 1003.152.    FISCAL YEAR  
12   Sec. 1003.153.    ANNUAL AUDIT  
13   Sec. 1003.154.    DEPOSITORY  
14            [Sections 1003.155-1003.200 reserved for expansion]  
15                        SUBCHAPTER E.    BONDS  
16   Sec. 1003.201.    GENERAL OBLIGATION BONDS  
17   Sec. 1003.202.    TAXES TO PAY GENERAL OBLIGATION BONDS  
18   Sec. 1003.203.    GENERAL OBLIGATION BOND ELECTION  
19   Sec. 1003.204.    EXECUTION OF GENERAL OBLIGATION BONDS  
20   Sec. 1003.205.    REFUNDING BONDS  
21            [Sections 1003.206-1003.250 reserved for expansion]  
22                        SUBCHAPTER F.    TAXES  
23   Sec. 1003.251.    IMPOSITION OF TAXES  
24   Sec. 1003.252.    POWERS AND DUTIES OF COUNTY TAX ASSESSOR;  
25                        FEES  
26   Sec. 1003.253.    INTEREST, PENALTIES, AND DISCOUNTS  
27                        CHAPTER 1003.    BOOKER HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1003.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "Director" means a member of the board.

(3) "District" means the Booker Hospital District.  
(New.)

Sec. 1003.002. AUTHORITY FOR OPERATION. The Booker Hospital District operates under the authority of Section 9, Article IX, Texas Constitution. (Acts 58th Leg., R.S., Ch. 411, Sec. 1 (part).)

Sec. 1003.003. POLITICAL SUBDIVISION. The district is a political subdivision of this state. (Acts 58th Leg., R.S., Ch. 411, Sec. 16 (part).)

Sec. 1003.004. DISTRICT TERRITORY. The district is composed of the territory described by Section 1, Chapter 411, Acts of the 58th Legislature, Regular Session, 1963. (New.)

Sec. 1003.005. CORRECTION OF INVALID PROCEDURE. If a court holds that any procedure under this chapter violates the constitution of this state or of the United States, the district by resolution may provide an alternative procedure that conforms with the constitution. (Acts 58th Leg., R.S., Ch. 411, Sec. 17 (part); Acts 63rd Leg., R.S., Ch. 541, Sec. 5 (part).)

[Sections 1003.006-1003.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1003.051. BOARD. The district is governed by a board of seven directors. (Acts 58th Leg., R.S., Ch. 411, Sec. 3(e))

1 (part).)

2 Sec. 1003.052. TERM; ELECTION. (a) Unless a four-year  
3 term is established under Section 285.081, Health and Safety Code:

4 (1) directors serve staggered terms of two years;

5 (2) three directors shall be elected in odd-numbered  
6 years and four directors shall be elected in even-numbered years;  
7 and

8 (3) a directors election shall be held on the first  
9 Saturday in May of each year to elect the appropriate number of  
10 directors.

11 (b) Directors are elected at large. (Acts 58th Leg., R.S.,  
12 Ch. 411, Secs. 3(e) (part), 3A(a).)

13 Sec. 1003.053. VACANCY. If a vacancy occurs in the office  
14 of director, the remaining directors shall appoint a director for  
15 the remainder of the unexpired term. (Acts 58th Leg., R.S., Ch.  
16 411, Sec. 3A(b).)

17 Sec. 1003.054. OFFICERS. The board shall elect a president  
18 and a secretary from among the directors to serve until the next  
19 directors election. (Acts 58th Leg., R.S., Ch. 411, Sec. 4 (part).)

20 Sec. 1003.055. COMPENSATION; EXPENSES. A director serves  
21 without compensation but may be reimbursed for actual expenses  
22 incurred in the performance of official duties on the approval of  
23 the expenses by the entire board. (Acts 58th Leg., R.S., Ch. 411,  
24 Sec. 4 (part).)

25 Sec. 1003.056. EMPLOYEES. The board may employ a general  
26 manager, attorney, financial advisor, bookkeeper, or architect.  
27 (Acts 58th Leg., R.S., Ch. 411, Sec. 7 (part).)

1           Sec. 1003.057. MAINTENANCE           OF           RECORDS;           PUBLIC  
2 INSPECTION. All district records, including books, accounts,  
3 notices, minutes, and all other matters of the district and the  
4 operation of its facilities, shall be:

- 5                   (1) maintained at the district office; and  
6                   (2) open to public inspection at the district office  
7 at all reasonable hours. (Acts 58th Leg., R.S., Ch. 411, Sec. 7  
8 (part).)

9           Sec. 1003.058. SEAL. The board may adopt a seal for the  
10 district. (Acts 58th Leg., R.S., Ch. 411, Sec. 7 (part).)

11           [Sections 1003.059-1003.100 reserved for expansion]

12                           SUBCHAPTER C. POWERS AND DUTIES

13           Sec. 1003.101. DISTRICT RESPONSIBILITY. The district has  
14 full responsibility for the operation of all hospital facilities  
15 for providing hospital care for the district's needy residents.  
16 (Acts 58th Leg., R.S., Ch. 411, Sec. 12 (part).)

17           Sec. 1003.102. LIMITATION           ON           CERTAIN           POLITICAL  
18 SUBDIVISIONS. A political subdivision within the district may not  
19 impose taxes or issue bonds or other obligations for hospital  
20 purposes or to provide medical care for district residents. (Acts  
21 58th Leg., R.S., Ch. 411, Sec. 12 (part).)

22           Sec. 1003.103. MANAGEMENT AND CONTROL. The board has the  
23 complete management and control of all the business of the  
24 district, including the power to negotiate and contract with any  
25 person to purchase or lease land, to construct and equip a hospital  
26 system, to operate and maintain the hospital, and to negotiate and  
27 contract with other political subdivisions of the state or private

1 individuals, associations, or corporations for those purposes.  
2 (Acts 58th Leg., R.S., Ch. 411, Sec. 4 (part).)

3 Sec. 1003.104. HOSPITAL SYSTEM. The district may  
4 establish a hospital system to provide medical and hospital care to  
5 persons residing in the district. (Acts 58th Leg., R.S., Ch. 411,  
6 Sec. 2 (part).)

7 Sec. 1003.105. RULES. (a) The board may adopt rules  
8 governing the operation of the district, including district  
9 facilities.

10 (b) On approval by the board, the rules may be published in  
11 booklet form at district expense and made available to any taxpayer  
12 on request. (Acts 58th Leg., R.S., Ch. 411, Sec. 7 (part).)

13 Sec. 1003.106. PURCHASING AND ACCOUNTING PROCEDURES. (a)  
14 The board may prescribe the method and manner of the making of  
15 purchases and expenditures by the district.

16 (b) The board shall prescribe:

17 (1) all accounting and control procedures; and

18 (2) the method of purchasing necessary supplies,  
19 materials, and equipment. (Acts 58th Leg., R.S., Ch. 411, Sec. 7  
20 (part).)

21 Sec. 1003.107. EMINENT DOMAIN. (a) The district may  
22 exercise the power of eminent domain to acquire a fee simple or  
23 other interest in any type of property, real, personal, or mixed,  
24 located in the territory of the district if the interest is  
25 necessary or convenient for the district to exercise the rights,  
26 powers, privileges, or functions conferred by this chapter.

27 (b) The district must exercise the power of eminent domain

1 in the manner provided by Chapter 21, Property Code, but the  
2 district is not required to deposit in the trial court money or bond  
3 as provided by Section 21.021(a), Property Code.

4 (c) In a condemnation proceeding brought by the district,  
5 the district is not required to:

6 (1) pay in advance or provide bond or other security  
7 for costs in the trial court;

8 (2) provide bond for the issuance of a temporary  
9 restraining order or a temporary injunction; or

10 (3) provide bond for costs or supersedeas on an appeal  
11 or writ of error. (Acts 58th Leg., R.S., Ch. 411, Sec. 9.)

12 Sec. 1003.108. GIFTS AND ENDOWMENTS. The board may accept  
13 for the district a gift or endowment to be held in trust and  
14 administered by the board for the purposes and under the  
15 directions, limitations, or other provisions prescribed in writing  
16 by the donor that are not inconsistent with the proper management  
17 and objectives of the district. (Acts 58th Leg., R.S., Ch. 411,  
18 Sec. 14.)

19 Sec. 1003.109. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
20 When a patient from the county has been admitted to a district  
21 facility, the board shall require an inquiry into the circumstances  
22 of:

23 (1) the patient; and

24 (2) the patient's relatives who are legally liable for  
25 the patient's support.

26 (b) If an agent designated by the district to handle these  
27 affairs finds that the patient or the relatives are not able to pay

1 all or part of the costs of the care and treatment in the hospital,  
2 the care and treatment shall become a charge on the district.

3 (c) If the agent finds that the patient or the patient's  
4 relatives are liable to pay for all or part of the costs of the care  
5 and treatment, an order shall be made directing the patient or the  
6 relatives to pay a specified amount per week to the treasurer for  
7 the support of the patient. The amount ordered must be  
8 proportionate to financial ability and may not exceed the actual  
9 per capita cost of maintenance.

10 (d) The district may collect the sum from the patient's  
11 estate, or from any relatives legally liable for the patient's  
12 support, in the manner provided by law for the collection of  
13 expenses of the last illness of a deceased person.

14 (e) If there is a dispute as to the ability to pay, or doubt  
15 in the mind of the district's designated agent, the board shall hear  
16 and determine the dispute or resolve the doubt, after calling  
17 witnesses, and shall make a proper order. The order may be appealed  
18 to the district court by either party to the dispute. (Acts 58th  
19 Leg., R.S., Ch. 411, Sec. 13.)

20 Sec. 1003.110. AUTHORITY TO SUE AND BE SUED. As a  
21 governmental agency, the district may sue and be sued in its own  
22 name in any court of this state. (Acts 58th Leg., R.S., Ch. 411,  
23 Sec. 16 (part).)

24 [Sections 1003.111-1003.150 reserved for expansion]

25 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

26 Sec. 1003.151. BUDGET. (a) Each year, the board shall  
27 prepare a budget showing for the following fiscal year:



1           (1) the proposed expenditures and disbursements;  
2           (2) the estimated receipts and collections; and  
3           (3) the amount of taxes required to be imposed during  
4 the year.

5           (b) The board shall hold a public hearing on the proposed  
6 budget. At least 10 days before the date of hearing, at least one  
7 notice of the hearing shall be published in a newspaper of general  
8 circulation in the county.

9           (c) Any district taxpayer is entitled to appear at the time  
10 and place designated in the notice and to be heard regarding any  
11 item shown in the proposed budget. (Acts 58th Leg., R.S., Ch. 411,  
12 Sec. 8 (part).)

13          Sec. 1003.152. FISCAL YEAR. The district's fiscal year  
14 begins on October 1 and ends on September 30. (Acts 58th Leg.,  
15 R.S., Ch. 411, Sec. 8 (part).)

16          Sec. 1003.153. ANNUAL AUDIT. (a) For each fiscal year,  
17 the board shall have an independent audit made of the district's  
18 books and records.

19          (b) Not later than December 31 each year, the audit shall be  
20 filed with the comptroller and at the district office. (Acts 58th  
21 Leg., R.S., Ch. 411, Sec. 8 (part).)

22          Sec. 1003.154. DEPOSITORY. (a) The board by resolution  
23 shall designate one or more banks in the district as the district's  
24 depository or treasurer. A designated bank serves for two years and  
25 until a successor is designated.

26          (b) All income received by the district, including tax  
27 revenue after deducting discounts and fees for assessing and

collecting the taxes, shall be deposited with the district depository and may be withdrawn only as provided by this chapter.

(c) All district funds shall be secured in the manner provided for securing county funds. (Acts 58th Leg., R.S., Ch. 411, Secs. 5 (part), 10.)

[Sections 1003.155-1003.200 reserved for expansion]

#### SUBCHAPTER E. BONDS

Sec. 1003.201. GENERAL OBLIGATION BONDS. The board may issue and sell bonds in the name and on the faith and credit of the district to:

(1) purchase, construct, acquire, repair, or renovate buildings or improvements; and

(2) equip buildings or improvements for hospital purposes. (Acts 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

Sec. 1003.202. TAXES TO PAY GENERAL OBLIGATION BONDS. (a) The board shall impose an ad valorem tax in an amount sufficient to create an interest and sinking fund to pay the principal of and interest on the general obligation bonds as they mature.

(b) The tax required by this section together with any other tax the district imposes in any year may not exceed 75 cents on each \$100 assessed value of the property according to the most recent certified tax appraisal roll of the district. (Acts 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

Sec. 1003.203. GENERAL OBLIGATION BOND ELECTION. (a) The district may issue general obligation bonds only if the bonds are authorized by a majority of the voters voting at an election held

1 for that purpose.

2 (b) The board may call an election on its own motion and must  
3 specify:

4 (1) the place or places where the election will be  
5 held;

6 (2) the presiding election officers;

7 (3) the purpose for which the bonds are to be issued;

8 (4) the amount of the bonds;

9 (5) the maximum interest rate of the bonds; and

10 (6) the maximum maturity of the bonds, which may not  
11 exceed 40 years from the date of issuance.

12 (c) Notice of a bond election shall be given by publishing a  
13 substantial copy of the order calling the election in a newspaper of  
14 general circulation in the district once a week for two consecutive  
15 weeks before the date of the election. The first publication must  
16 occur not later than the 21st day before the date set for the  
17 election.

18 (d) The district shall pay the costs of the election. (Acts  
19 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

20 Sec. 1003.204. EXECUTION OF GENERAL OBLIGATION BONDS. The  
21 board president shall execute the general obligation bonds in the  
22 name of the district. The board secretary shall countersign the  
23 bonds. (Acts 58th Leg., R.S., Ch. 411, Sec. 6 (part).)

24 Sec. 1003.205. REFUNDING BONDS. (a) The board may,  
25 without an election, issue refunding bonds to refund outstanding  
26 bonds issued or assumed by the district.

27 (b) Subject to Subsection (c), a refunding bond may be:

1           (1) sold, with the proceeds of the refunding bonds  
2 applied to the payment of the bonds to be refunded; or

3           (2) exchanged in whole or in part for not less than a  
4 like amount of bonds to be refunded and the matured but unpaid  
5 interest on those bonds.

6           (c) The average annual interest cost on the refunding bonds,  
7 computed in accordance with recognized standard bond interest cost  
8 tables, may not exceed the average annual interest cost on the bonds  
9 to be refunded, unless the total interest cost on the refunding  
10 bonds to their maturity dates is less than the total interest cost  
11 on the bonds to be refunded.

12           (d) Any premium required to be paid, as a condition to  
13 payment in advance of the stated maturity dates, on the bonds to be  
14 refunded must be included in computing the net interest cost to the  
15 district of the refunding bonds. (Acts 58th Leg., R.S., Ch. 411,  
16 Sec. 6 (part).)

17           [Sections 1003.206-1003.250 reserved for expansion]

18                               SUBCHAPTER F. TAXES

19           Sec. 1003.251. IMPOSITION OF TAXES. (a) The board shall  
20 impose on all property subject to district taxation, for the  
21 benefit of the district, a tax at a rate not to exceed 75 cents on  
22 each \$100 assessed value of the property according to the most  
23 recent certified tax appraisal roll of the district.

24           (b) The board shall impose the tax to:

25           (1) pay the principal of and interest on, and to create  
26 an interest and sinking fund for, bonds that may have been assumed  
27 or that may be issued by the district for hospital purposes;

1           (2) provide for the operation and maintenance of the  
2 hospital or hospital system;

3           (3) make improvements and additions to the hospital  
4 system; and

5           (4) acquire necessary sites for the hospital system by  
6 purchase, lease, or condemnation. (Acts 58th Leg., R.S., Ch. 411,  
7 Sec. 5 (part).)

8           Sec. 1003.252. POWERS AND DUTIES OF COUNTY TAX ASSESSOR;  
9 FEES. (a) The county tax assessor and collector shall collect the  
10 tax imposed under this subchapter unless the board by majority vote  
11 appoints a tax assessor and collector under Section 285.041, Health  
12 and Safety Code.

13          (b) The county tax assessor and collector shall charge and  
14 deduct from payments to the district a fee for imposing the tax in  
15 an amount determined by the board not to exceed the lesser of one  
16 percent of the amount collected or \$5,000 for the fiscal year. The  
17 fees shall be deposited in the county's general fund and shall be  
18 reported as fees of the tax assessor and collector. (Acts 58th  
19 Leg., R.S., Ch. 411, Secs. 5 (part), 5(a) (part), 8 (part).)

20          Sec. 1003.253. INTEREST, PENALTIES, AND DISCOUNTS.  
21 Interest, penalties, and discounts on taxes paid to the district  
22 shall be the same as for county taxes. (Acts 58th Leg., R.S., Ch.  
23 411, Sec. 5 (part).)

24                 [Chapters 1004-3000 reserved for expansion]

25                         TITLE 4. DEVELOPMENT AND IMPROVEMENT

26                                 SUBTITLE A. AGRICULTURE

27   CHAPTER 3001. SOUTHEAST TEXAS AGRICULTURAL DEVELOPMENT

1	DISTRICT
2	SUBCHAPTER A. GENERAL PROVISIONS
3	Sec. 3001.001. DEFINITIONS
4	Sec. 3001.002. SOUTHEAST TEXAS AGRICULTURAL
5	DEVELOPMENT DISTRICT
6	Sec. 3001.003. PURPOSE AND NATURE OF DISTRICT
7	Sec. 3001.004. DISTRICT TERRITORY
8	Sec. 3001.005. APPLICABILITY OF AND RELATION TO OTHER LAW
9	[Sections 3001.006-3001.050 reserved for expansion]
10	SUBCHAPTER B. BOARD OF DIRECTORS
11	Sec. 3001.051. BOARD OF DIRECTORS
12	Sec. 3001.052. QUALIFICATIONS
13	Sec. 3001.053. TERMS
14	Sec. 3001.054. DIRECTOR'S BOND
15	Sec. 3001.055. REMOVAL; VACANCY
16	Sec. 3001.056. OFFICERS
17	Sec. 3001.057. MEETINGS
18	Sec. 3001.058. COMPENSATION; REIMBURSEMENT
19	Sec. 3001.059. CONFLICT OF INTEREST; DISCLOSURE REQUIRED
20	[Sections 3001.060-3001.100 reserved for expansion]
21	SUBCHAPTER C. POWERS AND DUTIES
22	Sec. 3001.101. GENERAL POWERS AND DUTIES
23	Sec. 3001.102. LIMITATION ON DISTRICT POWERS
24	Sec. 3001.103. EXERCISE OF POWERS OUTSIDE DISTRICT
25	Sec. 3001.104. IMPOSITION OF AD VALOREM TAX
26	PROHIBITED
27	Sec. 3001.105. RULEMAKING

- 1    Sec. 3001.106.   EXECUTIVE DIRECTOR; EMPLOYEES
- 2    Sec. 3001.107.   ECONOMIC DEVELOPMENT
- 3    Sec. 3001.108.   AGRICULTURAL DEVELOPMENT
- 4    Sec. 3001.109.   SUGAR MILL OR OTHER ENTERPRISE
- 5    Sec. 3001.110.   DESIGNATION OF AGRICULTURAL PROJECTS
- 6    Sec. 3001.111.   AGRICULTURAL RESEARCH
- 7    Sec. 3001.112.   TRANSPORTATION
- 8    Sec. 3001.113.   RELATIONSHIP WITH NAVIGATION DISTRICT
- 9    Sec. 3001.114.   ACQUISITION OR DISPOSITION OF PROPERTY
- 10   Sec. 3001.115.   EMINENT DOMAIN
- 11   Sec. 3001.116.   ANNEXATION AND EXCLUSION OF
- 12                    TERRITORY
- 13   Sec. 3001.117.   AGREEMENTS
- 14   Sec. 3001.118.   DONATIONS; GRANTS
- 15   Sec. 3001.119.   HEARINGS
- 16   Sec. 3001.120.   SUITS
- 17   Sec. 3001.121.   INDEMNIFICATION
- 18   Sec. 3001.122.   OFFICIAL SEAL
- 19            [Sections 3001.123-3001.150 reserved for expansion]
- 20                    SUBCHAPTER D.  FINANCES AND OBLIGATIONS
- 21   Sec. 3001.151.   POWERS AND DUTIES RELATED TO FINANCES
- 22   Sec. 3001.152.   OBLIGATIONS
- 23   Sec. 3001.153.   APPROVAL OF ASSESSMENT OBLIGATIONS
- 24            [Sections 3001.154-3001.200 reserved for expansion]
- 25                    SUBCHAPTER E.  ASSESSMENTS
- 26   Sec. 3001.201.   GENERAL POWERS RELATED TO ASSESSMENTS
- 27   Sec. 3001.202.   AREA TO BE ASSESSED; LIMITATIONS

1    Sec. 3001.203.    HEARING AND PETITION REQUIRED  
2    Sec. 3001.204.    APPORTIONMENT OF COSTS  
3    Sec. 3001.205.    ASSESSMENT TO FINANCE PROJECT OR SERVICE  
4    Sec. 3001.206.    ASSESSMENT ROLL  
5    Sec. 3001.207.    ASSESSMENT AS LIEN  
6    Sec. 3001.208.    CORRECTION OF MISTAKE  
7    Sec. 3001.209.    NOTICE OF HEARING ON PROPOSED ASSESSMENT  
8    Sec. 3001.210.    CONDUCT OF HEARING; FINDINGS  
9    Sec. 3001.211.    BOARD ORDER IMPOSING ASSESSMENT  
10   Sec. 3001.212.    REHEARING  
11   Sec. 3001.213.    NOTICE OF ASSESSMENT  
12   Sec. 3001.214.    APPEAL TO COURT  
13   Sec. 3001.215.    NEW ASSESSMENT AFTER INVALID  
14                                PRIOR ASSESSMENT  
15                [Sections 3001.216-3001.250 reserved for expansion]  
16                                SUBCHAPTER F.   DISSOLUTION  
17   Sec. 3001.251.    DISSOLUTION  
18                                CHAPTER 3001.   SOUTHEAST TEXAS AGRICULTURAL  
19                                DEVELOPMENT DISTRICT  
20                                SUBCHAPTER A.   GENERAL PROVISIONS  
21        Sec. 3001.001.   DEFINITIONS.    In this chapter:  
22                (1)   "Assessment"    includes    a   reassessment    or  
23   supplemental assessment.  
24                (2)   "Board"   means   the   board   of   directors   of   the  
25   district.  
26                (3)   "Director" means a board member.  
27                (4)   "District" means the Southeast Texas Agricultural



Development District.

(5) "Obligation" means an obligation issued by the district under this chapter, including a bond, certificate, note, or other evidence of indebtedness.

(6) "Project" means an agricultural project designated under Section 3001.110. (Loc. Gov. Code, Secs. 384.001(1), (2), (3), (5), (6), (7), as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.002. SOUTHEAST TEXAS AGRICULTURAL DEVELOPMENT DISTRICT. (a) The Southeast Texas Agricultural Development District is created as a special district.

(b) The board by resolution may change the district's name. (Loc. Gov. Code, Sec. 384.021, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.003. PURPOSE AND NATURE OF DISTRICT. (a) The district is created as a conservation and reclamation district under Section 59, Article XVI, Texas Constitution, to:

(1) conserve and develop the natural resources of this state, including certain agricultural resources;

(2) conserve the soil for certain agricultural uses;

(3) reclaim or drain overflowed lands or provide necessary irrigation for certain natural agricultural resources; and

(4) provide credit, grants, or other things of value to aid persons as provided by Section 52(a), Article III, Texas Constitution.

(b) The district exercises public and essential

1 governmental functions.

2 (c) The creation of the district is a program essential to  
3 accomplish the purposes of Section 52-a, Article III, Texas  
4 Constitution, and other public purposes stated in this chapter.  
5 (Loc. Gov. Code, Secs. 384.022(a), (b), (d), as added Acts 76th  
6 Leg., R.S., Ch. 1578.)

7 Sec. 3001.004. DISTRICT TERRITORY. (a) The district  
8 includes all of the territory of Chambers County that is east of the  
9 center line of the Trinity River and north of the center line of the  
10 Gulf Intracoastal Waterway, other than property located inside the  
11 municipal boundaries of an incorporated municipality as of January  
12 1, 1999, as that territory may have been modified under:

13 (1) Section 3001.116, or its predecessor statute,  
14 former Section 384.052, Local Government Code; or

15 (2) other law.

16 (b) The boundaries of the district form a closure. A  
17 mistake in the description of the boundaries or in copying the  
18 description in the legislative process does not affect the  
19 district's:

20 (1) organization, existence, or validity;

21 (2) right to issue any type of bond for the purposes  
22 for which the district is created or to pay the principal of and  
23 interest on a bond;

24 (3) right to impose or collect an assessment; or

25 (4) legality or operation. (Loc. Gov. Code, Secs.  
26 384.023, 384.024, as added Acts 76th Leg., R.S., Ch. 1578; New.)

27 Sec. 3001.005. APPLICABILITY OF AND RELATION TO OTHER

1 LAW. (a) Chapter 49, Water Code, does not apply to the district.

2 (b) The district's authority under this chapter is not  
3 intended to duplicate the authority granted to the Chambers-Liberty  
4 Counties Navigation District or to limit the authority or  
5 jurisdiction of the navigation district. To the extent the laws of  
6 this chapter conflict with the laws of that navigation district,  
7 the laws of the navigation district control over this chapter.  
8 (Loc. Gov. Code, Secs. 384.022(c), 384.046(c), as added Acts 76th  
9 Leg., R.S., Ch. 1578.)

10 [Sections 3001.006-3001.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 3001.051. BOARD OF DIRECTORS. (a) The district is  
13 governed by a board of nine directors.

14 (b) The board by resolution may increase or decrease the  
15 number of directors on the board if the board determines that to do  
16 so is in the best interest of the district. The board may not have  
17 more than 15 directors. (Loc. Gov. Code, Sec. 384.081(a), as added  
18 Acts 76th Leg., R.S., Ch. 1578.)

19 Sec. 3001.052. QUALIFICATIONS. (a) To serve as a  
20 director, a person must be at least 18 years old and:

- 21 (1) reside in the district;  
22 (2) own property in the district; or  
23 (3) be an agent, employee, or tenant of a person who  
24 owns property in the district.

25 (b) At least five directors must reside in or own property  
26 in Chambers County. (Loc. Gov. Code, Sec. 384.081(b) (part), as  
27 added Acts 76th Leg., R.S., Ch. 1578.)

1           Sec. 3001.053. TERMS. The county commissioners court  
2 shall appoint the directors to serve staggered four-year terms with  
3 as near as possible to one-half of the directors' terms expiring on  
4 June 1 of each odd-numbered year. (Loc. Gov. Code, Sec. 384.081(b)  
5 (part), as added Acts 76th Leg., R.S., Ch. 1578.)

6           Sec. 3001.054. DIRECTOR'S BOND. (a) As soon as  
7 practicable after a director is appointed, the director shall  
8 execute a \$10,000 bond payable to the district and conditioned on  
9 the faithful performance of the director's duties.

10           (b) Each director's bond must be approved by the board.

11           (c) The bond shall be filed with and retained by the  
12 district. (Loc. Gov. Code, Sec. 384.088, as added Acts 76th Leg.,  
13 R.S., Ch. 1578.)

14           Sec. 3001.055. REMOVAL; VACANCY. (a) The county  
15 commissioners court may remove a director for misconduct or failure  
16 to carry out the director's duties on petition by a majority of the  
17 other directors and after notice and hearing.

18           (b) If a vacancy occurs on the board, the remaining  
19 directors shall appoint a director for the remainder of the  
20 unexpired term. (Loc. Gov. Code, Sec. 384.082, as added Acts 76th  
21 Leg., R.S., Ch. 1578.)

22           Sec. 3001.056. OFFICERS. (a) The board shall elect from  
23 its directors a president, vice president, and secretary.

24           (b) The board by rule may provide for the election of other  
25 officers. (Loc. Gov. Code, Sec. 384.081(c), as added Acts 76th  
26 Leg., R.S., Ch. 1578.)

27           Sec. 3001.057. MEETINGS. The board shall meet at least

1 once every three months and at the call of the presiding officer or  
2 a majority of the directors. (Loc. Gov. Code, Sec. 384.083, as  
3 added Acts 76th Leg., R.S., Ch. 1578.)

4 Sec. 3001.058. COMPENSATION; REIMBURSEMENT. A director  
5 serves without compensation but shall be reimbursed for a  
6 reasonable and necessary expense incurred in performing an official  
7 duty. (Loc. Gov. Code, Sec. 384.087, as added Acts 76th Leg., R.S.,  
8 Ch. 1578.)

9 Sec. 3001.059. CONFLICT OF INTEREST; DISCLOSURE  
10 REQUIRED. (a) Except as provided by this section:

11 (1) a director may participate in all board votes and  
12 decisions; and

13 (2) Chapter 171, Local Government Code, governs  
14 conflicts of interest for directors.

15 (b) Section 171.004, Local Government Code, does not apply  
16 to the district. A director who has a substantial interest in a  
17 business or charitable entity that will receive a pecuniary benefit  
18 from a board action shall file an affidavit with the board secretary  
19 declaring the interest. Another affidavit is not required if the  
20 director's interest changes.

21 (c) After the affidavit is filed, the director may  
22 participate in a discussion or vote on that action if:

23 (1) a majority of the directors have similar interests  
24 in the same entity; or

25 (2) all similar business or charitable entities in the  
26 district will receive a similar pecuniary benefit.

27 (d) A director who is an officer or employee of a public

1 entity may not participate in a discussion of or vote on a matter  
2 regarding a contract with the public entity.

3 (e) For purposes of this section, a director has a  
4 substantial interest in a charitable entity in the same manner that  
5 a person would have a substantial interest in a business entity  
6 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
7 Sec. 384.089, as added Acts 76th Leg., R.S., Ch. 1578.)

8 [Sections 3001.060-3001.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 3001.101. GENERAL POWERS AND DUTIES. (a) The  
11 district has the powers and duties that are necessary or desirable  
12 to carry out a power or duty expressly or implicitly granted under  
13 this chapter.

14 (b) The district may perform acts necessary to perform the  
15 purposes of this chapter. (Loc. Gov. Code, Secs. 384.041(a), (b),  
16 as added Acts 76th Leg., R.S., Ch. 1578.)

17 Sec. 3001.102. LIMITATION ON DISTRICT POWERS. The  
18 district may not exercise a power unless it furthers the purposes of  
19 this chapter. (Loc. Gov. Code, Sec. 384.055, as added Acts 76th  
20 Leg., R.S., Ch. 1578.)

21 Sec. 3001.103. EXERCISE OF POWERS OUTSIDE DISTRICT. The  
22 district may exercise any of its powers outside the district  
23 territory if the board determines that there is a benefit to the  
24 district in exercising that power. (Loc. Gov. Code, Sec. 384.053,  
25 as added Acts 76th Leg., R.S., Ch. 1578.)

26 Sec. 3001.104. IMPOSITION OF AD VALOREM TAX  
27 PROHIBITED. The district may not impose an ad valorem tax. (Loc.

Gov. Code, Sec. 384.041(c), as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.105. RULEMAKING. The board may adopt rules:

(1) necessary or convenient to carry out district powers and duties;

(2) to govern its affairs;

(3) to preserve the public health and welfare concerning the agricultural products submitted to the district for harvesting, processing, distributing, or transporting; and

(4) to establish a priority on the use of district property and services, including the payment of fees. (Loc. Gov. Code, Sec. 384.084, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.106. EXECUTIVE DIRECTOR; EMPLOYEES. The board may employ:

(1) an executive director to manage the district's daily operations; and

(2) other persons necessary to carry out the district's duties. (Loc. Gov. Code, Sec. 384.086, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.107. ECONOMIC DEVELOPMENT. (a) The district may encourage state economic development as provided by this chapter, including making a loan or grant of public money for the purposes of this chapter.

(b) The district may encourage the economic development of the district by:

(1) fostering the growth of enterprises based on certain types of agriculture;

1           (2) stimulating innovation in certain agricultural  
2 enterprises;

3           (3) seeking to eliminate unemployment or  
4 underemployment in the state; and

5           (4) developing or expanding transportation resources.  
6 (Loc. Gov. Code, Sec. 384.042, as added Acts 76th Leg., R.S., Ch.  
7 1578.)

8       Sec. 3001.108. AGRICULTURAL DEVELOPMENT. The district  
9 may:

10           (1) promote all agricultural enterprises, facilities,  
11 and services of the district; and

12           (2) encourage the maintenance and conservation of soil  
13 in the district. (Loc. Gov. Code, Sec. 384.043, as added Acts 76th  
14 Leg., R.S., Ch. 1578.)

15       Sec. 3001.109. SUGAR MILL OR OTHER ENTERPRISE. (a) The  
16 district may design, construct, and operate a sugar mill or other  
17 agricultural enterprise.

18           (b) The district may acquire property necessary for a sugar  
19 mill or other agricultural enterprise, including vehicles, farm  
20 equipment, other machinery, and related facilities for harvesting,  
21 processing, storing, distributing, and transporting sugar cane or  
22 other agricultural products or by-products. (Loc. Gov. Code, Sec.  
23 384.044, as added Acts 76th Leg., R.S., Ch. 1578.)

24       Sec. 3001.110. DESIGNATION OF AGRICULTURAL PROJECTS. (a)  
25 The district may designate as an agricultural project a project  
26 that relates to:

27           (1) the development of agriculture in the district and



1 surrounding areas; and

2 (2) the preservation and conservation of the soil in  
3 the district for agricultural purposes.

4 (b) A project designated under Subsection (a) is for a  
5 public purpose.

6 (c) The cost of a project, including interest during  
7 construction and the cost of issuing obligations, may be paid from  
8 any source.

9 (d) The implementation of a project is a governmental  
10 function or service for purposes of Chapter 791, Government Code.  
11 (Loc. Gov. Code, Sec. 384.045, as added Acts 76th Leg., R.S., Ch.  
12 1578.)

13 Sec. 3001.111. AGRICULTURAL RESEARCH. The district may  
14 conduct or pay for research for agricultural purposes. (Loc. Gov.  
15 Code, Sec. 384.050, as added Acts 76th Leg., R.S., Ch. 1578.)

16 Sec. 3001.112. TRANSPORTATION. The district may encourage  
17 the transportation and distribution of the district's agricultural  
18 products through the development and operation of transportation  
19 structures necessary to further the purposes of this chapter,  
20 including railroads and private roads. (Loc. Gov. Code, Sec.  
21 384.046(a), as added Acts 76th Leg., R.S., Ch. 1578.)

22 Sec. 3001.113. RELATIONSHIP WITH NAVIGATION DISTRICT. The  
23 district may cooperate and contract with the Chambers-Liberty  
24 Counties Navigation District on any area of mutual interest. (Loc.  
25 Gov. Code, Sec. 384.046(b), as added Acts 76th Leg., R.S., Ch.  
26 1578.)

27 Sec. 3001.114. ACQUISITION OR DISPOSITION OF

1 PROPERTY. The district may acquire or dispose of property in any  
2 manner, including by:

- 3 (1) conveyance;
- 4 (2) mortgage; or
- 5 (3) lease, as lessor or lessee. (Loc. Gov. Code, Sec.  
6 384.048, as added Acts 76th Leg., R.S., Ch. 1578.)

7 Sec. 3001.115. EMINENT DOMAIN. The district may not  
8 exercise the power of eminent domain. (Loc. Gov. Code, Sec.  
9 384.049, as added Acts 76th Leg., R.S., Ch. 1578.)

10 Sec. 3001.116. ANNEXATION AND EXCLUSION OF  
11 TERRITORY. (a) The district may annex land as provided by Section  
12 49.301 or 49.302, Water Code, except that the references in those  
13 sections related to taxes do not apply. As provided by those  
14 sections, the district may annex land that is not adjacent or  
15 contiguous to the district.

16 (b) The board may call on its own motion a hearing on the  
17 question of the exclusion of land from the district as provided by  
18 Section 49.304 or 49.307, Water Code, if:

19 (1) the district does not have outstanding  
20 obligations; and

21 (2) the proposed exclusion is practicable, just, or  
22 desirable.

23 (c) The board shall call a hearing on the exclusion of land  
24 or other property from the district as provided by Section 49.304 or  
25 49.307, Water Code, if a property owner in the district files with  
26 the board secretary a written petition requesting the hearing  
27 before the issuance of an obligation. (Loc. Gov. Code, Sec.

384.052, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.117. AGREEMENTS. (a) The district may:

(1) enter into an agreement with any person for any district purpose, including an agreement:

(A) to operate or maintain an agricultural enterprise under Sections 3001.108 and 3001.109; or

(B) with a municipality or county to provide law enforcement service in the district on a fee basis; and

(2) accept a loan from any person.

(b) The district, county, and any other political subdivision, without further authorization, may contract to implement a project or assist the district in providing a service authorized by this chapter. A contract under this subsection may provide:

(1) for payment from a district assessment or other revenue; or

(2) that an assessment or other revenue collected from a project, or from a person using or purchasing a commodity or service from a project, may be paid or rebated to the district.

(Loc. Gov. Code, Sec. 384.047(a) (part), (b), as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.118. DONATIONS; GRANTS. The district may accept a donation or grant from any person. (Loc. Gov. Code, Sec. 384.047(a) (part), as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.119. HEARINGS. (a) The board may conduct hearings and take evidence on any matter before the board.

(b) The board may appoint a hearings examiner to conduct a

1 hearing called by the board. The hearings examiner may be a  
2 district employee or director. (Loc. Gov. Code, Sec. 384.085, as  
3 added Acts 76th Leg., R.S., Ch. 1578.)

4 Sec. 3001.120. SUITS. (a) The district may sue and be  
5 sued.

6 (b) In a suit against the district, process may be served on  
7 a director or registered agent.

8 (c) The district may not be required to give a bond on an  
9 appeal or writ of error in a civil case that the district is  
10 prosecuting or defending. (Loc. Gov. Code, Secs. 384.051(a), (b),  
11 (c), as added Acts 76th Leg., R.S., Ch. 1578.)

12 Sec. 3001.121. INDEMNIFICATION. The district may  
13 indemnify a director or district employee or a former director or  
14 district employee for reasonable expenses and costs, including  
15 attorney's fees, incurred by the person in connection with a claim  
16 or charge asserted against the person if:

17 (1) the claim or charge relates to an act or omission  
18 of the person when acting in the scope of the person's board  
19 membership or district employment; and

20 (2) the person has not been found liable on the claim  
21 or guilty on the charge. (Loc. Gov. Code, Sec. 384.051(d), as added  
22 Acts 76th Leg., R.S., Ch. 1578.)

23 Sec. 3001.122. OFFICIAL SEAL. The district may adopt an  
24 official seal for the district. (Loc. Gov. Code, Sec. 384.054, as  
25 added Acts 76th Leg., R.S., Ch. 1578.)

26 [Sections 3001.123-3001.150 reserved for expansion]

27 SUBCHAPTER D. FINANCES AND OBLIGATIONS

1           Sec. 3001.151. POWERS       AND       DUTIES       RELATED       TO  
2 FINANCES. (a) The district may:

3               (1) acquire and dispose of money;

4               (2) impose a charge for using a facility or a service  
5 the district provides;

6               (3) issue an obligation as provided by this  
7 subchapter;

8               (4) borrow money;

9               (5) loan money;

10              (6) invest money under its control in an investment  
11 permitted by Chapter 2256, Government Code;

12              (7) select a depository;

13              (8) establish a system of accounts for the district;

14 and

15              (9) set the fiscal year for the district.

16           (b) The district shall endeavor to raise revenue sufficient  
17 to pay the district's debts.

18           (c) The board by rule shall establish the procedure and  
19 number of directors' signatures required to disburse or transfer  
20 district money. (Loc. Gov. Code, Sec. 384.101, as added Acts 76th  
21 Leg., R.S., Ch. 1578.)

22           Sec. 3001.152. OBLIGATIONS. (a) The district may issue  
23 any type of obligation for any district purpose. An obligation may  
24 be issued under Chapter 1371, Government Code.

25           (b) When authorizing the issuance of an obligation, the  
26 district may also authorize the later issuance of a parity or  
27 subordinate lien obligation.

(c) A district obligation must:

(1) mature not later than the 40th anniversary of the date of issuance; and

(2) state on its face that the obligation is not a state obligation.

(d) A district obligation may be payable from or secured by:

(1) any source of money, including district revenue, loans, or assessments; or

(2) a lien, pledge, mortgage, or other security interest on district revenue or property.

(e) The district may use obligation proceeds for any purpose, including to pay:

(1) into a reserve fund for debt service;

(2) for the repair or replacement of property, including buildings and equipment;

(3) interest on obligations; or

(4) for the operation of a sugar mill or other agricultural enterprise.

(f) The district may contract with an obligation holder to impose an assessment to pay for the operation of a sugar mill or other agricultural enterprise. (Loc. Gov. Code, Sec. 384.102, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.153. APPROVAL OF ASSESSMENT OBLIGATIONS. An obligation secured by an assessment may not be issued unless the district receives a written petition requesting the assessment and issuance of obligations. The petition must be signed by each owner of the property proposed for assessment. (Loc. Gov. Code, Sec.

384.103, as added Acts 76th Leg., R.S., Ch. 1578.)

[Sections 3001.154-3001.200 reserved for expansion]

SUBCHAPTER E. ASSESSMENTS

Sec. 3001.201. GENERAL POWERS RELATED TO  
ASSESSMENTS. (a) The board may impose an assessment:

- (1) for a district expense;
- (2) to finance a project or district service; or
- (3) for any other purpose authorized by this chapter.

(b) Money derived from an assessment for one purpose may not be borrowed for use for another purpose for which an assessment is imposed.

(c) The board shall establish a procedure for the distribution or use of money derived from an assessment that exceeds the amount of money necessary to accomplish the purpose for which the assessment was collected. (Loc. Gov. Code, Sec. 384.111, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.202. AREA TO BE ASSESSED; LIMITATIONS. (a) The board may impose an assessment only on property included in a petition for assessment.

(b) The owner of an improvement constructed in the district, or of land annexed to the district, after the district imposed an assessment may waive the right to notice and an assessment hearing and may agree to the imposition of the assessment on the improvement or land and payment of the assessment at an agreed rate.

(c) The district may not impose an assessment on the property of a person that provides gas, electricity, telephone, sewage, or water service to the public. (Loc. Gov. Code, Sec.

384.112, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.203. HEARING AND PETITION REQUIRED. The board may impose an assessment only if:

(1) a written petition has been filed with the board that:

(A) requests the assessment;

(B) states the specific purpose of the assessment; and

(C) is signed by each owner of the property to be assessed;

(2) two-thirds of the board votes to impose the assessment;

(3) the board provides notice of a hearing on the proposal under Section 3001.209; and

(4) the board holds a hearing on the advisability of the assessment under Section 3001.210. (Loc. Gov. Code, Sec. 384.113, as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.204. APPORTIONMENT OF COSTS. (a) The board shall apportion the cost of an assessment to property according to the special benefits accruing to the property because of the project or service to be financed by the assessment. The cost may be assessed:

(1) equally by front foot or by square foot of land area;

(2) equally by acreage of land;

(3) according to the value of the property as determined by the board; or



1           (4) according to any other reasonable assessment plan  
2 that imposes a fair share of the cost on property similarly  
3 benefited.

4           (b) In making the determination under Subsection (a)(3),  
5 the board may consider the value of a structure or improvement on  
6 the property. (Loc. Gov. Code, Sec. 384.114, as added Acts 76th  
7 Leg., R.S., Ch. 1578.)

8           Sec. 3001.205. ASSESSMENT TO FINANCE PROJECT OR  
9 SERVICE. (a) If the board determines the total cost of an  
10 assessment to finance a project or service, the board shall impose  
11 the assessment against each parcel of land against which an  
12 assessment may be imposed in the district.

13           (b) The board may impose an annual assessment for a service.  
14 The amount of an annual service assessment may vary from year to  
15 year, but may not be higher than the initial assessment. (Loc. Gov.  
16 Code, Sec. 384.115, as added Acts 76th Leg., R.S., Ch. 1578.)

17           Sec. 3001.206. ASSESSMENT ROLL. (a) The board shall  
18 prepare and maintain an assessment roll showing:

19                   (1) the assessment against each property; and

20                   (2) the board's basis for the assessment.

21           (b) The board shall allow the public to inspect the  
22 assessment roll. (Loc. Gov. Code, Sec. 384.116, as added Acts 76th  
23 Leg., R.S., Ch. 1578.)

24           Sec. 3001.207. ASSESSMENT AS LIEN. (a) An assessment,  
25 including an assessment resulting from an addition or correction to  
26 the assessment roll, penalties and interest on an assessment, an  
27 assessment collection expense, and reasonable attorney's fees

1 incurred by the district in collecting an assessment are:

2 (1) a first and prior lien against the property  
3 assessed;

4 (2) superior to any other lien or claim other than a  
5 lien or claim for county, school district, or municipal ad valorem  
6 taxes; and

7 (3) the personal liability of and charge against the  
8 owners of the property, even if the owners are not named in an  
9 assessment proceeding.

10 (b) The lien is effective from the date of the order  
11 imposing the assessment until the date the assessment is paid.  
12 (Loc. Gov. Code, Sec. 384.117, as added Acts 76th Leg., R.S., Ch.  
13 1578.)

14 Sec. 3001.208. CORRECTION OF MISTAKE. After notice and  
15 hearing in the manner required for an original assessment, the  
16 board may impose an assessment to correct a mistake in the  
17 assessment that:

18 (1) relates to the total cost of the assessment; or  
19 (2) covers a delinquency or collection costs. (Loc.  
20 Gov. Code, Sec. 384.118, as added Acts 76th Leg., R.S., Ch. 1578.)

21 Sec. 3001.209. NOTICE OF HEARING ON PROPOSED  
22 ASSESSMENT. (a) The board shall provide notice of a hearing for a  
23 proposed assessment in a newspaper with general circulation in  
24 Chambers County. The publication must be made not later than the  
25 30th day before the date of the hearing.

26 (b) The notice must include the:

27 (1) time and place of the hearing;

1           (2) purpose for the proposed assessment;

2           (3) estimated cost of the purpose for which the  
3 assessment is proposed, including interest during construction and  
4 associated financing costs; and

5           (4) proposed assessment method.

6           (c) Not later than the 30th day before the date of the  
7 hearing, the board shall mail written notice containing the  
8 information required by Subsection (b) to each property owner in  
9 the district that will be subject to the assessment at the current  
10 address of the owner of the property to be assessed, as reflected on  
11 the tax rolls. (Loc. Gov. Code, Sec. 384.119, as added Acts 76th  
12 Leg., R.S., Ch. 1578.)

13           Sec. 3001.210. CONDUCT OF HEARING; FINDINGS. (a) The  
14 board or hearings examiner shall hear and rule on all objections to  
15 a proposed assessment.

16           (b) A hearing on a proposed assessment may be adjourned from  
17 time to time.

18           (c) The board or hearings examiner shall make findings  
19 relating to the:

20               (1) advisability of the assessment, including the  
21 purpose of the assessment;

22               (2) estimated cost of the assessment;

23               (3) area benefited by the assessment;

24               (4) method of assessment; and

25               (5) method and time for payment of the assessment.

26           (d) If a hearings examiner conducts the hearing, the  
27 examiner shall file with the board a report on the examiner's

findings under Subsection (c). (Loc. Gov. Code, Secs. 384.120(a), (b), (c), (d), as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.211. BOARD ORDER IMPOSING ASSESSMENT. (a) After receiving or issuing the findings required by Section 3001.210(c), the board by order:

(1) shall:

(A) impose the assessment as a special assessment on the property; and

(B) specify the method of payment on the assessment; and

(2) may:

(A) amend a proposed assessment for any parcel;

(B) require an assessment to be paid in periodic installments, including interest;

(C) require an interest charge or penalty for a failure to make timely payment; or

(D) charge an amount to cover a delinquency or collection expense.

(b) If the board orders that an assessment may be paid in periodic installments, the installments must:

(1) be in amounts sufficient to meet the annual costs of the project or service for which the assessment is imposed; and

(2) continue for the number of years required to retire the indebtedness or pay for the project or service for which the assessment is imposed. (Loc. Gov. Code, Secs. 384.120(e), (f), as added Acts 76th Leg., R.S., Ch. 1578.)

Sec. 3001.212. REHEARING. A motion for rehearing is

1 subject to Section 2001.146, Government Code, except that the  
2 property owner must file the motion for rehearing not later than the  
3 30th day after the date on which the assessment order is issued.  
4 (Loc. Gov. Code, Sec. 384.121, as added Acts 76th Leg., R.S., Ch.  
5 1578.)

6 Sec. 3001.213. NOTICE OF ASSESSMENT. Not later than the  
7 30th day after the date on which an assessment order is issued, the  
8 district shall file a notice of the assessment in the deed records  
9 of the county in which the property to be assessed is located. The  
10 notice must:

11 (1) provide a legal description of the property  
12 subject to the assessment;

13 (2) state the name of the owner of the property subject  
14 to the assessment; and

15 (3) describe how to contact the district for further  
16 information about the assessment. (Loc. Gov. Code, Sec. 384.122,  
17 as added Acts 76th Leg., R.S., Ch. 1578.)

18 Sec. 3001.214. APPEAL TO COURT. (a) A property owner  
19 against whom an assessment is imposed may appeal the assessment to a  
20 district court in the county in which the property is located in the  
21 manner provided for the appeal of a contested case under Chapter  
22 2001, Government Code.

23 (b) The owner must file the notice of appeal with the court  
24 not later than the 30th day after the date the board decision  
25 becomes final.

26 (c) The court shall review the appeal by trial de novo.  
27 (Loc. Gov. Code, Sec. 384.123, as added Acts 76th Leg., R.S., Ch.

1578.)

Sec. 3001.215. NEW ASSESSMENT AFTER INVALID PRIOR  
ASSESSMENT. If the board determines or a court holds that an  
assessment is invalid, the board may impose a new assessment in  
accordance with the procedures provided by this subchapter. (Loc.  
Gov. Code, Sec. 384.124, as added Acts 76th Leg., R.S., Ch. 1578.)

[Sections 3001.216-3001.250 reserved for expansion]

#### SUBCHAPTER F. DISSOLUTION

Sec. 3001.251. DISSOLUTION. The board may dissolve the  
district if all district debts and obligations have been  
discharged. (Loc. Gov. Code, Sec. 384.141, as added Acts 76th Leg.,  
R.S., Ch. 1578.)

[Chapters 3002-3500 reserved for expansion]

#### SUBTITLE B. DEFENSE BASE DEVELOPMENT

#### CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3501.001. DEFINITIONS

Sec. 3501.002. AUTHORITY TERRITORY

Sec. 3501.003. PURPOSE AND NATURE OF AUTHORITY

Sec. 3501.004. EXEMPTION FROM TAXATION

[Sections 3501.005-3501.050 reserved for expansion]

##### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3501.051. COMPOSITION OF BOARD

Sec. 3501.052. TERM; VACANCIES

Sec. 3501.053. OFFICERS

Sec. 3501.054. EMPLOYEES

Sec. 3501.055. RULES FOR PROCEEDINGS

[Sections 3501.056-3501.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3501.101. AUTHORITY OF BOARD

Sec. 3501.102. GENERAL POWERS AND DUTIES

Sec. 3501.103. UTILITIES

Sec. 3501.104. SECURITY FOR COSTS OR BOND NOT REQUIRED

[Sections 3501.105-3501.150 reserved for expansion]

SUBCHAPTER D. DISSOLUTION

Sec. 3501.151. LEGISLATIVE INTENT

Sec. 3501.152. DUTY TO DISSOLVE

CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3501.001. DEFINITIONS. In this chapter:

(1) "Authority" means the Lubbock Reese Redevelopment Authority.

(2) "Base property" means land described by Section 3501.002(a), including any property used in connection with or comprising the former Reese Air Force Base.

(3) "Board" means the board of directors of the authority. (Loc. Gov. Code, Secs. 396.001(1), (2), (3), 396.010 (part).)

Sec. 3501.002. AUTHORITY TERRITORY. (a) The authority's territory is that described by Section 13.10, Chapter 62, Acts of the 76th Legislature, Regular Session, 1999, enacting former Section 396.009, Local Government Code, and includes all other real property, related interests, including fee interests, perpetual and other easements, licenses, leases, and any other property used

1 in connection with or comprising Reese Air Force Base and as may be  
2 shown by instruments recorded in the real property records of  
3 Lubbock and Terry counties.

4 (b) The authority's territory does not include property  
5 conveyed by the United States before June 17, 1997, as shown by  
6 instruments recorded in the real property records of Lubbock and  
7 Terry counties. (Loc. Gov. Code, Secs. 396.002 (part), 396.010  
8 (part).)

9 Sec. 3501.003. PURPOSE AND NATURE OF AUTHORITY. (a) The  
10 purpose of the authority is to undertake projects necessary or  
11 incidental to the industrial, commercial, or business development,  
12 redevelopment, maintenance, and expansion of new and existing  
13 businesses on the property, now or formerly known as Reese Air Force  
14 Base, described in Section 3501.002(a), including the acquisition,  
15 construction, operation, maintenance, enhancement, or disposal of:

- 16 (1) roads, bridges, and rights-of-way;  
17 (2) housing;  
18 (3) property;  
19 (4) police, fire, medical, cultural, educational, and  
20 research services, equipment, institutions, and resources;  
21 (5) other community support services;  
22 (6) flood control, water, wastewater treatment, and  
23 all other utility facilities; and  
24 (7) other infrastructure improvements.

25 (b) The authority is a political subdivision of this state  
26 that exercises public and essential governmental functions.

27 (c) The exercise of a power this chapter grants is for a



1 public purpose and is a matter of public necessity.

2 (d) The authority is a governmental unit under Chapter 101,  
3 Civil Practice and Remedies Code. The operations of the authority  
4 are not proprietary functions for any purpose, including the  
5 application of Chapter 101, Civil Practice and Remedies Code.  
6 (Loc. Gov. Code, Secs. 396.001(6), 396.002 (part), 396.004(b), (c),  
7 (d), (e).)

8 Sec. 3501.004. EXEMPTION FROM TAXATION. The property,  
9 revenue, and income of the authority are exempt from a tax imposed  
10 by the state or a political subdivision of the state. (Loc. Gov.  
11 Code, Sec. 396.006.)

12 [Sections 3501.005-3501.050 reserved for expansion]

13 SUBCHAPTER B. BOARD OF DIRECTORS

14 Sec. 3501.051. COMPOSITION OF BOARD. The board is composed  
15 of:

16 (1) seven directors appointed by the governing body of  
17 the City of Lubbock;

18 (2) one director appointed by the commissioners court  
19 of Lubbock County; and

20 (3) one director appointed by the South Plains  
21 Association of Governments. (Loc. Gov. Code, Secs. 396.003(a)  
22 (part), (b).)

23 Sec. 3501.052. TERM; VACANCIES. (a) A director serves a  
24 term of four years. A director appointed to fill a vacancy for an  
25 unexpired term shall serve for the remainder of that term only.

26 (b) A vacancy on the board is filled in the same manner as  
27 the original appointment.

1 (c) A director may be appointed as the director's own  
2 successor for not more than one term. (Loc. Gov. Code, Secs.  
3 396.003(c), (d).)

4 Sec. 3501.053. OFFICERS. (a) The board shall elect from  
5 its membership a president and a vice president.

6 (b) The vice president shall preside in the absence of the  
7 president. (Loc. Gov. Code, Sec. 396.003(e).)

8 Sec. 3501.054. EMPLOYEES. The board may employ and  
9 compensate persons to carry out the powers and duties of the  
10 authority. (Loc. Gov. Code, Sec. 396.003(f) (part).)

11 Sec. 3501.055. RULES FOR PROCEEDINGS. The board shall  
12 adopt rules for its proceedings. (Loc. Gov. Code, Sec. 396.003(f)  
13 (part).)

14 [Sections 3501.056-3501.100 reserved for expansion]

15 SUBCHAPTER C. POWERS AND DUTIES

16 Sec. 3501.101. AUTHORITY OF BOARD. The board shall manage,  
17 control, and operate the authority. (Loc. Gov. Code, Sec.  
18 396.003(a) (part).)

19 Sec. 3501.102. GENERAL POWERS AND DUTIES. (a) The  
20 authority may accept title, on approval by and in coordination with  
21 the governor, from the United States to all or any portion of the  
22 base property.

23 (b) The authority may exercise, on approval by and in  
24 coordination with the governor, any power necessary or convenient  
25 to accomplish a purpose of this chapter, including the power to:

26 (1) sue and be sued, and plead and be impleaded, in its  
27 own name;

1           (2) adopt an official seal;

2           (3) adopt and enforce bylaws and rules for the conduct  
3 of its affairs;

4           (4) acquire, hold, own, and dispose of its revenue,  
5 income, receipts, and money from any source;

6           (5) select its depository;

7           (6) establish its fiscal year;

8           (7) adopt an annual operating budget for all major  
9 expenditures before the beginning of the fiscal year;

10          (8) establish a system of accounts for the authority;

11          (9) invest its money in accordance with Chapter 2256,  
12 Government Code;

13          (10) acquire, hold, own, use, rent, lease, or dispose  
14 of any property, including a license, patent, right, right-of-way,  
15 easement, and other interest in property, by purchase, exchange,  
16 gift, assignment, condemnation, lease, sale, or any other means, to  
17 perform a duty or to exercise a power under this chapter;

18          (11) manage, operate, or improve that property, to  
19 perform a duty or to exercise a power under this chapter;

20          (12) sell, assign, lease, encumber, mortgage, or  
21 otherwise dispose of any base property, or any interest in that  
22 property, release or relinquish any right, title, claim, lien,  
23 interest, easement, or demand, however acquired, and,  
24 notwithstanding any other law, conduct any transaction authorized  
25 by this subdivision by public or private sale;

26          (13) lease or rent any land, buildings, structures, or  
27 facilities located on the base property to any person to accomplish

1 the purposes of this chapter;

2 (14) request and accept any appropriation, grant,  
3 allocation, subsidy, guarantee, aid, service, labor, material,  
4 gift, or money from any source, including the federal government,  
5 the state, a public agency, and a political subdivision;

6 (15) maintain an office;

7 (16) appoint and determine the duties, tenure,  
8 qualifications, compensation, and removal of officers, employees,  
9 agents, professional advisors, and counselors, including financial  
10 consultants, accountants, attorneys, architects, engineers,  
11 appraisers, and financing experts, as considered necessary or  
12 advisable by the board;

13 (17) borrow money as necessary to acquire, improve, or  
14 operate a facility on the base property, not to exceed the amount  
15 determined by the governing body of the City of Lubbock;

16 (18) establish, impose, and collect rents, rates,  
17 fees, and charges for its facilities and services; and

18 (19) exercise the powers Chapter 380, Local Government  
19 Code, grants to a municipality for expansion of economic  
20 development and commercial activity. (Loc. Gov. Code, Secs.  
21 396.004(a), 396.005(a) (part).)

22 Sec. 3501.103. UTILITIES. (a) As may be necessary and  
23 appropriate to accomplish the purposes for which the authority was  
24 established, the authority may exercise those powers granted to  
25 general law districts by Chapter 49, Water Code, and granted to  
26 municipal utility districts by Chapter 54, Water Code, may provide  
27 all other utility services that may be provided by an electric, gas,

1 or water utility on an immediate basis without the need for state  
2 regulatory approval, and without restriction, may delegate those  
3 powers and the provision of those services to a neighboring  
4 municipality, a municipally owned utility, a cooperative  
5 corporation, or other utility provider.

6 (b) The authority shall continue to be served by the  
7 provider, as of September 1, 1999, of electricity and related  
8 services to the authority until the authority delegates the  
9 provision of electric services under Subsection (a).

10 (c) A delegation under Subsection (a) of a power related to  
11 electric service and the provision of electric services may be made  
12 only to an electric utility provider that agrees to upgrade the  
13 electrical system infrastructure so that the authority can  
14 accomplish its purpose. The authority shall determine the criteria  
15 to be used for determining the level of infrastructure improvements  
16 necessary to encourage the expansion of economic development and  
17 commercial activity. The authority may delegate the provision of  
18 electric services without state regulatory approval.

19 (d) The authority may contract to convey the property  
20 related to the supply and distribution of electrical power in the  
21 authority's territory to an electric utility provider that requires  
22 the conveyance as a condition of making an upgrade prescribed by  
23 Subsection (c). (Loc. Gov. Code, Secs. 396.005(a) (part), (c).)

24 Sec. 3501.104. SECURITY FOR COSTS OR BOND NOT REQUIRED. In  
25 a suit, the authority may not be required to give security for costs  
26 or a supersedeas or cost bond in an appeal from a judgment. (Loc.  
27 Gov. Code, Sec. 396.005(b).)

[Sections 3501.105-3501.150 reserved for expansion]

SUBCHAPTER D. DISSOLUTION

Sec. 3501.151. LEGISLATIVE INTENT. The legislature intends that the authority be dissolved after conveyance and sale of all of the base property. (Loc. Gov. Code, Sec. 396.007(b).)

Sec. 3501.152. DUTY TO DISSOLVE. (a) The authority shall be dissolved on approval of the City of Lubbock and Lubbock County:

(1) when all the functions of the authority are performed and completed; and

(2) after all debts or obligations have been satisfied or retired with the assets of the authority.

(b) On dissolution, any remaining assets of the authority shall be conveyed or transferred to the City of Lubbock and Lubbock County in proportion to any initial contribution of money made. (Loc. Gov. Code, Secs. 396.007(a), (c).)

CHAPTER 3502. WESTWORTH VILLAGE-WHITE SETTLEMENT

REDEVELOPMENT AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3502.001. DEFINITIONS

Sec. 3502.002. WESTWORTH VILLAGE-WHITE SETTLEMENT

REDEVELOPMENT AUTHORITY

Sec. 3502.003. AUTHORITY TERRITORY

Sec. 3502.004. EXEMPTION FROM TAXATION

[Sections 3502.005-3502.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3502.051. COMPOSITION OF BOARD

Sec. 3502.052. TERM

1 Sec. 3502.053. VACANCIES

2 Sec. 3502.054. OFFICERS

3 Sec. 3502.055. EMPLOYEES

4 [Sections 3502.056-3502.100 reserved for expansion]

5 SUBCHAPTER C. AUTHORITY POWERS AND DUTIES

6 Sec. 3502.101. AUTHORITY OF BOARD

7 Sec. 3502.102. GENERAL POWERS

8 Sec. 3502.103. RECEIPT OF PROPERTY

9 Sec. 3502.104. USE OF PROPERTY

10 Sec. 3502.105. AWARDDING OF CONTRACTS

11 [Sections 3502.106-3502.150 reserved for expansion]

12 SUBCHAPTER D. DISSOLUTION

13 Sec. 3502.151. LEGISLATIVE INTENT

14 Sec. 3502.152. POWER TO DISSOLVE

15 CHAPTER 3502. WESTWORTH VILLAGE-WHITE SETTLEMENT

16 REDEVELOPMENT AUTHORITY

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 3502.001. DEFINITIONS. In this chapter:

19 (1) "Authority" means the Westworth Village-White  
20 Settlement Redevelopment Authority.

21 (2) "Board" means the board of directors of the  
22 authority. (Loc. Gov. Code, Sec. 396.031.)

23 Sec. 3502.002. WESTWORTH VILLAGE-WHITE SETTLEMENT  
24 REDEVELOPMENT AUTHORITY. The authority is established as a  
25 political subdivision of this state if Westworth Village and White  
26 Settlement each:

27 (1) adopt a resolution authorizing the authority's

1 establishment; and

2 (2) appoint three members to the board. (Loc. Gov.  
3 Code, Sec. 396.032 (part).)

4 Sec. 3502.003. AUTHORITY TERRITORY. The boundaries of the  
5 authority territory are the boundaries of Westworth Village and  
6 White Settlement. (Loc. Gov. Code, Sec. 396.032 (part).)

7 Sec. 3502.004. EXEMPTION FROM TAXATION. The property,  
8 revenue, and income of the authority are exempt from all taxes  
9 imposed by the state or a political subdivision of the state. (Loc.  
10 Gov. Code, Sec. 396.036.)

11 [Sections 3502.005-3502.050 reserved for expansion]

12 SUBCHAPTER B. BOARD OF DIRECTORS

13 Sec. 3502.051. COMPOSITION OF BOARD. The board consists of  
14 six directors. The governing body of each municipality in the  
15 authority shall appoint three directors. (Loc. Gov. Code, Secs.  
16 396.033(a) (part), (b).)

17 Sec. 3502.052. TERM. A director serves a two-year term.  
18 (Loc. Gov. Code, Sec. 396.033(c).)

19 Sec. 3502.053. VACANCIES. A vacancy on the board is filled  
20 for the unexpired term in the manner provided for the original  
21 appointment. (Loc. Gov. Code, Sec. 396.033(e).)

22 Sec. 3502.054. OFFICERS. (a) The board shall select from  
23 its membership a presiding officer and an assistant presiding  
24 officer.

25 (b) The assistant presiding officer presides in the absence  
26 of the presiding officer.

27 (c) The board shall select a secretary-treasurer. The



1 secretary-treasurer is not required to be a director. (Loc. Gov.  
2 Code, Sec. 396.033(d).)

3 Sec. 3502.055. EMPLOYEES. The board may employ all persons  
4 necessary to carry out the functions of the authority. (Loc. Gov.  
5 Code, Sec. 396.033(f).)

6 [Sections 3502.056-3502.100 reserved for expansion]

7 SUBCHAPTER C. AUTHORITY POWERS AND DUTIES

8 Sec. 3502.101. AUTHORITY OF BOARD. The board shall manage,  
9 operate, and control the authority. (Loc. Gov. Code, Sec.  
10 396.033(a) (part).)

11 Sec. 3502.102. GENERAL POWERS. The authority may  
12 exercise, on approval by and in coordination with the governor, all  
13 powers necessary or appropriate to carry out the purposes of this  
14 chapter, including the power to:

15 (1) sue and be sued, and plead and be impleaded, in its  
16 own name;

17 (2) adopt an official seal;

18 (3) adopt and enforce bylaws and rules for the conduct  
19 of its affairs;

20 (4) acquire, hold, use, and dispose of its revenue,  
21 income, receipts, and money from every source;

22 (5) select its depository;

23 (6) acquire, hold, own, lease, rent, or dispose of any  
24 property or interest in property, including rights or easements, in  
25 performing duties and exercising powers under this chapter by  
26 purchase, exchange, gift, assignment, condemnation, sale, lease,  
27 or otherwise and to hold, manage, operate, or improve the property;

1           (7) sell, assign, lease, encumber, mortgage, or  
2 otherwise dispose of any property or interest in property, and  
3 release or relinquish any right, title, claim, lien, interest,  
4 easement, or demand however acquired;

5           (8) notwithstanding any other law, perform an activity  
6 authorized by Subdivision (7) by public or private sale, with or  
7 without public bidding;

8           (9) lease or rent any lands within the property and  
9 buildings, structures, or facilities located on the property from  
10 or to any person to carry out the purposes of this chapter;

11          (10) request and accept any appropriation, grant,  
12 allocation, subsidy, guaranty, aid, service, labor, material, or  
13 gift from any source, including the federal government, this state,  
14 a public agency, or a political subdivision;

15          (11) maintain an office and appoint and determine the  
16 duties, tenure, qualifications, and compensation of officers,  
17 employees, agents, and professional advisors and counselors,  
18 including financial consultants, accountants, attorneys,  
19 architects, engineers, appraisers, and financing experts, as the  
20 board considers necessary or advisable;

21          (12) borrow money;

22          (13) establish, impose, and collect rents, rates,  
23 fees, and charges for its facilities and services;

24          (14) acquire land or any interest in land within the  
25 boundaries of the authority by condemnation in the manner provided  
26 by Chapter 21, Property Code, subject to the approval of each  
27 municipality in the authority; and

1           (15) exercise the powers in Chapters 373 and 380,  
2 Local Government Code, granted to a municipality for the  
3 development of housing and expansion of economic development and  
4 commercial activity. (Loc. Gov. Code, Sec. 396.035.)

5           Sec. 3502.103. RECEIPT OF PROPERTY. The authority shall  
6 accept title, on approval by and in coordination with the governor,  
7 from the United States to all or any portion of the real property  
8 situated:

9           (1) within the boundaries of the authority, together  
10 with any improvements located on the property and personal property  
11 related to the property, commonly referred to as:

- 12                   (A) Parcel A - 18 Hole Golf Course;
- 13                   (B) Parcel B - Wherry Housing Area;
- 14                   (C) Parcel C - Kings Branch Housing Area;
- 15                   (D) Parcel D - Stables Area and Vacant Land;
- 16                   (E) Parcel E - 5 acres;
- 17                   (F) Parcel F - 18 acres; and
- 18                   (G) Parcel H - Firing Range; and

19           (2) outside the boundaries of the authority within an  
20 unincorporated area in Tarrant County, together with any  
21 improvements located on the property and personal property related  
22 to the property, commonly referred to as Parcel G - Weapons Storage  
23 Area. (Loc. Gov. Code, Sec. 396.034(a) (part).)

24           Sec. 3502.104. USE OF PROPERTY. (a) The authority shall  
25 use the property described by Section 3502.103 and all assistance  
26 available for the property from the United States and all other  
27 sources to replace and enhance the economic benefits generated for

1 the property by Carswell Air Force Base with diversified activity,  
2 including planned land uses to foster:

- 3 (1) creation of new jobs;
- 4 (2) economic development;
- 5 (3) industry;
- 6 (4) commerce;
- 7 (5) manufacturing;
- 8 (6) housing;
- 9 (7) recreation; and
- 10 (8) the construction, operation, and maintenance of
- 11 facilities, improvements, and infrastructures on the property.

12 (b) The governing body of Fort Worth must consent in writing  
13 before any use or development of land within the property commonly  
14 referred to as Parcel G may be undertaken. (Loc. Gov. Code, Secs.  
15 396.034(a) (part), (b).)

16 Sec. 3502.105. AWARDING OF CONTRACTS. (a) The board may  
17 adopt rules governing the receiving of bids and the awarding of  
18 contracts.

19 (b) A contract in the amount of more than \$15,000 for the  
20 construction of improvements or the purchase of material,  
21 machinery, equipment, supplies, or any other property, other than  
22 real property, may only be awarded on competitive bids received by  
23 the authority.

24 (c) Notice must be published in a newspaper of general  
25 circulation in the authority not later than the 16th day before the  
26 date set for receiving bids for a contract described by Subsection  
27 (b).

(d) This section does not apply to:

(1) personal or professional services; or

(2) the acquisition or sale of the property. (Loc. Gov. Code, Sec. 396.037.)

[Sections 3502.106-3502.150 reserved for expansion]

#### SUBCHAPTER D. DISSOLUTION

Sec. 3502.151. LEGISLATIVE INTENT. The legislature intends that the authority be dissolved after conveyance and sale of all of the property described by Section 3502.103. (Loc. Gov. Code, Sec. 396.038(a) (part).)

Sec. 3502.152. POWER TO DISSOLVE. (a) The board may dissolve the authority if:

(1) each municipality in the authority approves the dissolution; and

(2) all debts or obligations have been satisfied or retired.

(b) Any assets of the authority remaining after all debts or obligations have been satisfied shall be conveyed or transferred to the municipalities in the authority as approved by the board. (Loc. Gov. Code, Secs. 396.038(a) (part), (b).)

[Chapters 3503-3800 reserved for expansion]

#### SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT

##### CHAPTER 3801. HOUSTON DOWNTOWN MANAGEMENT DISTRICT

###### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3801.001. DEFINITIONS

Sec. 3801.002. HOUSTON DOWNTOWN MANAGEMENT DISTRICT

Sec. 3801.003. PURPOSE; DECLARATION OF INTENT

1 Sec. 3801.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

2 Sec. 3801.005. DISTRICT TERRITORY

3 Sec. 3801.006. ELIGIBILITY FOR REINVESTMENT ZONES

4 Sec. 3801.007. APPLICABILITY OF OTHER LAW

5 Sec. 3801.008. LIBERAL CONSTRUCTION OF CHAPTER

6 [Sections 3801.009-3801.050 reserved for expansion]

7 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

8 Sec. 3801.051. BOARD OF DIRECTORS; TERMS

9 Sec. 3801.052. APPOINTMENT OF DIRECTORS

10 Sec. 3801.053. EX OFFICIO DIRECTORS

11 [Sections 3801.054-3801.100 reserved for expansion]

12 SUBCHAPTER C. POWERS AND DUTIES

13 Sec. 3801.101. DISTRICT POWERS

14 Sec. 3801.102. RELATION TO OTHER LAW

15 Sec. 3801.103. NONPROFIT CORPORATION

16 Sec. 3801.104. CONTRACTS; GRANTS

17 Sec. 3801.105. COMPETITIVE BIDDING

18 Sec. 3801.106. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS

19 [Sections 3801.107-3801.150 reserved for expansion]

20 SUBCHAPTER D. FINANCIAL PROVISIONS

21 Sec. 3801.151. PETITION REQUIRED FOR FINANCING SERVICES

22 AND IMPROVEMENTS

23 Sec. 3801.152. DISBURSEMENTS AND TRANSFERS OF MONEY

24 Sec. 3801.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,

25 ASSESSMENTS, AND IMPACT FEES

26 Sec. 3801.154. MAINTENANCE TAX

27 Sec. 3801.155. ASSESSMENTS; LIENS FOR ASSESSMENTS

1 Sec. 3801.156. PROHIBITED EXEMPTIONS

2 Sec. 3801.157. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

3 Sec. 3801.158. ELECTIONS REGARDING TAXES OR BONDS

4 Sec. 3801.159. SALES AND USE TAX PROHIBITED

5 [Sections 3801.160-3801.200 reserved for expansion]

6 SUBCHAPTER E. DISSOLUTION

7 Sec. 3801.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

8 DEBT

9 CHAPTER 3801. HOUSTON DOWNTOWN MANAGEMENT DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 3801.001. DEFINITIONS. In this chapter:

12 (1) "Board" means the board of directors of the  
13 district.

14 (2) "District" means the Houston Downtown Management  
15 District. (Loc. Gov. Code, Secs. 376.003(1), (3).)

16 Sec. 3801.002. HOUSTON DOWNTOWN MANAGEMENT DISTRICT. A  
17 special district known as the "Houston Downtown Management  
18 District" is a governmental agency and political subdivision of  
19 this state. (Loc. Gov. Code, Sec. 376.001(a).)

20 Sec. 3801.003. PURPOSE; DECLARATION OF INTENT. (a) The  
21 creation of the district is essential to accomplish the purposes of  
22 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
23 Texas Constitution, and other public purposes stated in this  
24 chapter. By creating the district and in authorizing Harris  
25 County, the City of Houston, and other political subdivisions to  
26 contract with the district, the legislature has established a  
27 program to accomplish the public purposes set out in Section 52-a,

1 Article III, Texas Constitution.

2 (b) The creation of the district is necessary to promote,  
3 develop, encourage, and maintain employment, commerce,  
4 transportation, housing, tourism, recreation, the arts,  
5 entertainment, economic development, safety, and the public  
6 welfare in the downtown area of the city of Houston.

7 (c) This chapter and the creation of the district may not be  
8 interpreted to relieve Harris County or the City of Houston from  
9 providing the level of services provided as of August 28, 1995, to  
10 the area in the district or to release the county or the city from  
11 the obligations of each entity to provide services to that area.  
12 The district is created to supplement and not to supplant the county  
13 or city services provided in the area in the district. (Loc. Gov.  
14 Code, Secs. 376.001(c), 376.002.)

15 Sec. 3801.004. FINDINGS OF BENEFIT AND PUBLIC  
16 PURPOSE. (a) The district is created to serve a public use and  
17 benefit.

18 (b) All land and other property included in the district  
19 will benefit from the improvements and services to be provided by  
20 the district under powers conferred by Sections 52 and 52-a,  
21 Article III, and Section 59, Article XVI, Texas Constitution, and  
22 other powers granted under this chapter.

23 (c) The creation of the district is in the public interest  
24 and is essential to:

25 (1) further the public purposes of developing and  
26 diversifying the economy of the state;

27 (2) eliminate unemployment and underemployment; and



1           (3) develop or expand transportation and commerce.

2           (d) The district will:

3                 (1) promote the health, safety, and general welfare of  
4 residents, employers, employees, visitors, and consumers in the  
5 district, and of the public;

6                 (2) provide needed funding for the downtown area of  
7 the city of Houston to preserve, maintain, and enhance the economic  
8 health and vitality of the area as a community and business center;  
9 and

10                (3) promote the health, safety, welfare, and enjoyment  
11 of the public by providing pedestrian ways and by landscaping and  
12 developing certain areas in the district, which are necessary for  
13 the restoration, preservation, and enhancement of scenic and  
14 aesthetic beauty.

15           (e) Pedestrian ways along or across a street, whether at  
16 grade or above or below the surface, and street lighting, street  
17 landscaping, and street art objects are parts of and necessary  
18 components of a street and are considered to be a street or road  
19 improvement.

20           (f) The district will not act as the agent or  
21 instrumentality of any private interest even though the district  
22 will benefit many private interests as well as the public. (Loc.  
23 Gov. Code, Sec. 376.006.)

24           Sec. 3801.005. DISTRICT TERRITORY. (a) The district is  
25 composed of the territory described by Section 23.04(b), Chapter  
26 165, Acts of the 75th Legislature, Regular Session, 1997, enacting  
27 former Section 376.004, Local Government Code, and by Section 1,

Chapter 360, Acts of the 76th Legislature, Regular Session, 1999,  
as that territory may have been modified under:

- (1) Subchapter J, Chapter 49, Water Code; or
- (2) other law.

(b) The boundaries and field notes of the district contained  
in Section 23.04(b), Chapter 165, Acts of the 75th Legislature,  
Regular Session, 1997, enacting former Section 376.004, Local  
Government Code, and in Section 1, Chapter 360, Acts of the 76th  
Legislature, Regular Session, 1999, form a closure. A mistake in  
the field notes or in copying the field notes in the legislative  
process does not in any way affect:

(1) the district's organization, existence, and  
validity;

(2) the district's right to issue any type of bond,  
including a refunding bond, for a purpose for which the district is  
created or to pay the principal of and interest on the bond;

(3) the district's right to impose and collect an  
assessment or tax;

(4) the validity of the enlargement of the district  
under Section 1, Chapter 360, Acts of the 76th Legislature, Regular  
Session, 1999; or

(5) the legality or operation of the district or the  
board. (Loc. Gov. Code, Sec. 376.005; Acts 76th Leg., R.S., Ch.  
360, Sec. 2; New.)

Sec. 3801.006. ELIGIBILITY FOR REINVESTMENT ZONES. All or  
any part of the area of the district is eligible to be included in:

- (1) a tax increment reinvestment zone created by the

1 City of Houston under Chapter 311, Tax Code; or

2 (2) a tax abatement reinvestment zone created by the  
3 City of Houston under Chapter 312, Tax Code. (Loc. Gov. Code, Sec.  
4 376.028.)

5 Sec. 3801.007. APPLICABILITY OF OTHER LAW. Except as  
6 otherwise provided by this chapter, Chapter 375, Local Government  
7 Code, applies to the district. (Loc. Gov. Code, Sec. 376.007.)

8 Sec. 3801.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
9 chapter shall be liberally construed in conformity with the  
10 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
11 376.008.)

12 [Sections 3801.009-3801.050 reserved for expansion]

13 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

14 Sec. 3801.051. BOARD OF DIRECTORS; TERMS. The district is  
15 governed by a board of 30 directors who serve staggered terms of  
16 four years, with seven or eight directors' terms expiring June 1 of  
17 each year. (Loc. Gov. Code, Sec. 376.009(a).)

18 Sec. 3801.052. APPOINTMENT OF DIRECTORS. (a) The mayor  
19 and members of the governing body of the City of Houston shall  
20 appoint directors from persons recommended by the board.

21 (b) A person may not be appointed to the board if the  
22 appointment of that person would result in fewer than two-thirds of  
23 the directors being residents of the city of Houston. (Loc. Gov.  
24 Code, Secs. 376.010(a) (part), (b).)

25 Sec. 3801.053. EX OFFICIO DIRECTORS. (a) The following  
26 persons serve as nonvoting ex officio directors:

27 (1) the directors of the parks and recreation,

1 planning and development, public works, and civic center  
2 departments of the City of Houston;

3 (2) the chief of police of the City of Houston; and

4 (3) the general manager of the Metropolitan Transit  
5 Authority of Harris County, Texas.

6 (b) If a department described by Subsection (a) is  
7 consolidated, renamed, or changed, the board may appoint the  
8 director of the consolidated, renamed, or changed department as a  
9 nonvoting ex officio director. If a department described by  
10 Subsection (a) is abolished, the board may appoint a representative  
11 of another department of the City of Houston that performs duties  
12 comparable to those performed by the abolished department.

13 (c) The board may appoint the presiding officer of another  
14 nonprofit corporation actively involved in downtown activities in  
15 the city of Houston to serve as a nonvoting ex officio director.  
16 (Loc. Gov. Code, Sec. 376.011.)

17 [Sections 3801.054-3801.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 3801.101. DISTRICT POWERS. The district has:

20 (1) all powers necessary to accomplish the purposes  
21 for which the district was created;

22 (2) the rights, powers, privileges, authority, and  
23 functions of a district created under Chapter 375, Local Government  
24 Code;

25 (3) the powers given to a corporation under Section  
26 4B, the Development Corporation Act of 1979 (Article 5190.6,  
27 Vernon's Texas Civil Statutes), and the power to own, operate,

1 acquire, construct, lease, improve, and maintain projects, other  
2 than a domed football stadium, described by that section; and

3 (4) the powers of a housing finance corporation  
4 created under Chapter 394, Local Government Code, to provide  
5 housing or residential development projects in the district. (Loc.  
6 Gov. Code, Sec. 376.012(a) (part).)

7 Sec. 3801.102. RELATION TO OTHER LAW. This chapter  
8 prevails over a law to which Section 3801.101 refers that is in  
9 conflict with or is inconsistent with this chapter. (Loc. Gov.  
10 Code, Sec. 376.014 (part).)

11 Sec. 3801.103. NONPROFIT CORPORATION. (a) The board by  
12 resolution may authorize the creation of a nonprofit corporation to  
13 assist and act for the district in implementing a project or  
14 providing a service authorized by this chapter.

15 (b) The nonprofit corporation:

16 (1) has each power of and is considered for purposes of  
17 this chapter to be a local government corporation created under  
18 Chapter 431, Transportation Code; and

19 (2) may implement any project and provide any service  
20 authorized by this chapter.

21 (c) The board shall appoint the board of directors of the  
22 nonprofit corporation. The board of directors of the nonprofit  
23 corporation shall serve in the same manner as, for the same term as,  
24 and on the same conditions as the board of directors of a local  
25 government corporation created under Chapter 431, Transportation  
26 Code. (Loc. Gov. Code, Sec. 376.017.)

27 Sec. 3801.104. CONTRACTS; GRANTS. (a) To protect the

1 public interest, the district may contract with Harris County or  
2 the City of Houston for the county or the city to provide law  
3 enforcement services in the district for a fee.

4 (b) Harris County, the City of Houston, or another political  
5 subdivision of this state, without further authorization, may  
6 contract with the district to implement a project of the district or  
7 assist the district in providing a service authorized under this  
8 chapter. A contract under this subsection may:

- 9 (1) be for a period on which the parties agree;  
10 (2) include terms on which the parties agree;  
11 (3) be payable from taxes or any other source of  
12 revenue that may be available for that project or service; or  
13 (4) provide terms under which taxes or other revenue  
14 collected at a district project or from a person using or purchasing  
15 a commodity or service at a district project may be paid or rebated  
16 to the district.

17 (c) The district may enter into a contract, lease, or other  
18 agreement with or make or accept a grant or loan to or from any  
19 person, including:

- 20 (1) the United States;  
21 (2) this state or a state agency;  
22 (3) any political subdivision of this state; and  
23 (4) a public or private corporation, including a  
24 nonprofit corporation created by the board under this subchapter.

25 (d) The district may perform all acts necessary for the full  
26 exercise of the powers vested in the district on terms and for the  
27 period the board determines advisable. (Loc. Gov. Code, Sec.

1 376.026.)

2           Sec. 3801.105. COMPETITIVE BIDDING. The district may  
3 enter into a contract for more than \$10,000 for services,  
4 improvements, or the purchase of property, including materials,  
5 machinery, equipment, and supplies, only as provided by Subchapter  
6 K, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec.  
7 376.027.)

8           Sec. 3801.106. APPROVAL OF CERTAIN IMPROVEMENT  
9 PROJECTS. The district must obtain the approval of the City of  
10 Houston of the plans and specifications of any district improvement  
11 project related to the use of land owned by the City of Houston, an  
12 easement granted by the City of Houston, or a right-of-way of a  
13 street, road, or highway. (Loc. Gov. Code, Sec. 376.021.)

14           [Sections 3801.107-3801.150 reserved for expansion]

15                   SUBCHAPTER D. FINANCIAL PROVISIONS

16           Sec. 3801.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
17 IMPROVEMENTS. (a) The board may not finance a service or an  
18 improvement project under this chapter unless a written petition  
19 requesting that service or improvement is filed with the board.

20           (b) The petition must be signed by:

21                   (1) the owners of a majority of the assessed value of  
22 real property in the district according to the most recent  
23 certified tax appraisal roll for Harris County; or

24                   (2) at least 50 owners of land in the district, if more  
25 than 50 persons own property in the district according to the most  
26 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
27 Code, Sec. 376.015.)

1           Sec. 3801.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
2 board by resolution shall establish the number of directors'  
3 signatures and the procedure required for a disbursement or  
4 transfer of the district's money. (Loc. Gov. Code, Sec. 376.018.)

5           Sec. 3801.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
6 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad  
7 valorem tax, assessment, or impact fee as provided by Chapter 375,  
8 Local Government Code, to provide an improvement or service for a  
9 project or activity the district may acquire, construct, improve,  
10 or provide under this chapter. (Loc. Gov. Code, Sec. 376.012(a)  
11 (part).)

12           Sec. 3801.154. MAINTENANCE TAX. (a) If authorized at an  
13 election held in accordance with Section 3801.158, the district may  
14 impose an annual ad valorem tax on taxable property in the district  
15 to:

16                   (1) maintain and operate the district and the  
17 improvements constructed or acquired by the district; or

18                   (2) provide services to industrial or commercial  
19 businesses, residents, or property owners.

20           (b) The board shall determine the tax rate. (Loc. Gov.  
21 Code, Sec. 376.024.)

22           Sec. 3801.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
23 The board by resolution may impose and collect an assessment for any  
24 purpose authorized by this chapter.

25           (b) An assessment, a reassessment, or an assessment  
26 resulting from an addition to or correction of the assessment roll  
27 by the district, penalties and interest on an assessment or



1 reassessment, an expense of collection, and reasonable attorney's  
2 fees incurred by the district:

3 (1) are a first and prior lien against the property  
4 assessed;

5 (2) are superior to any other lien or claim other than  
6 a lien or claim for county, school district, or municipal ad valorem  
7 taxes; and

8 (3) are the personal liability of and a charge against  
9 the owners of the property even if the owners are not named in the  
10 assessment proceeding.

11 (c) The lien is effective from the date of the board's  
12 resolution imposing the assessment until the date the assessment is  
13 paid. The board may enforce the lien in the same manner that the  
14 board may enforce an ad valorem tax lien against real property.

15 (d) The board may correct, add to, or delete assessments  
16 from its assessment rolls after notice and hearing as provided by  
17 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
18 Secs. 376.012(a) (part), 376.020.)

19 Sec. 3801.156. PROHIBITED EXEMPTIONS. A single-family  
20 residential property or a residential duplex, triplex, fourplex, or  
21 condominium may not be exempt from the imposition of a tax, an  
22 impact fee, or an assessment if the tax, impact fee, or assessment  
23 is imposed in accordance with this chapter. (Loc. Gov. Code, Sec.  
24 376.016.)

25 Sec. 3801.157. OBLIGATIONS; APPROVAL BY CITY OF  
26 HOUSTON. (a) The district may issue bonds or other obligations  
27 payable in whole or in part from ad valorem taxes, assessments,

1 impact fees, revenue, grants, or other money of the district, or any  
2 combination of those sources of money, to pay for any authorized  
3 purpose of the district, other than to finance a domed football  
4 stadium.

5 (b) In exercising the district's borrowing power, the  
6 district may issue a bond or other obligation in the form of a bond,  
7 note, certificate of participation or other instrument evidencing a  
8 proportionate interest in payments to be made by the district, or  
9 other type of obligation.

10 (c) Except as provided by Subsection (d), the district must  
11 obtain the approval of the City of Houston:

12 (1) for the issuance of a bond for each improvement  
13 project; and

14 (2) of the plans and specifications of the improvement  
15 project to be financed by the bond.

16 (d) If the district obtains the approval of the City of  
17 Houston of a capital improvements budget for a specified period not  
18 to exceed five years, the district may finance the capital  
19 improvements and issue bonds specified in the budget without  
20 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
21 376.019(a), (b), (c), (d).)

22 Sec. 3801.158. ELECTIONS REGARDING TAXES OR  
23 BONDS. (a) In addition to the elections required under  
24 Subchapter L, Chapter 375, Local Government Code, the district must  
25 hold an election in the manner provided by that subchapter to obtain  
26 voter approval before the district may:

27 (1) impose a maintenance tax; or

1           (2)   issue a bond payable from ad valorem taxes or  
2   assessments.

3           (b)   The board may submit multiple purposes in a single  
4   proposition at an election.

5           (c)   The board may not call an election under this chapter  
6   unless a written petition requesting an election has been filed  
7   with the board. The petition must be signed by:

8           (1)   the owners of a majority of the assessed value of  
9   real property in the district according to the most recent  
10   certified tax appraisal roll for Harris County; or

11          (2)   at least 50 owners of land in the district, if more  
12   than 50 persons own property in the district as determined by the  
13   most recent certified tax appraisal roll for Harris County. (Loc.  
14   Gov. Code, Sec. 376.022.)

15          Sec. 3801.159.   SALES AND USE TAX PROHIBITED.   The district  
16   may not impose a sales and use tax.   (Loc. Gov. Code, Sec.  
17   376.012(b) (part).)

18          [Sections 3801.160-3801.200 reserved for expansion]

19                           SUBCHAPTER E.   DISSOLUTION

20          Sec. 3801.201.   DISSOLUTION OF DISTRICT WITH OUTSTANDING  
21   DEBT.   Despite this section and Section 375.264, Local Government  
22   Code, the district may be dissolved as provided by Subchapter M,  
23   Chapter 375, Local Government Code, if the district has debt. If  
24   the district has debt when it is dissolved, the district shall  
25   remain in existence solely for the purpose of discharging its bonds  
26   or other obligations according to their terms.   (Loc. Gov. Code,  
27   Sec. 376.025.)

1                   CHAPTER 3802. WESTCHASE DISTRICT  
2                   SUBCHAPTER A. GENERAL PROVISIONS  
3   Sec. 3802.001.  DEFINITIONS  
4   Sec. 3802.002.  WESTCHASE DISTRICT  
5   Sec. 3802.003.  PURPOSE; DECLARATION OF INTENT  
6   Sec. 3802.004.  FINDINGS OF BENEFIT AND PUBLIC PURPOSE  
7   Sec. 3802.005.  DISTRICT TERRITORY  
8   Sec. 3802.006.  APPLICABILITY OF OTHER LAW  
9   Sec. 3802.007.  LIBERAL CONSTRUCTION OF CHAPTER  
10           [Sections 3802.008-3802.050 reserved for expansion]  
11           SUBCHAPTER B. BOARD OF DIRECTORS  
12   Sec. 3802.051.  BOARD OF DIRECTORS; TERMS  
13   Sec. 3802.052.  APPOINTMENT OF DIRECTORS  
14   Sec. 3802.053.  EX OFFICIO DIRECTORS  
15           [Sections 3802.054-3802.100 reserved for expansion]  
16           SUBCHAPTER C. POWERS AND DUTIES  
17   Sec. 3802.101.  DISTRICT POWERS  
18   Sec. 3802.102.  RELATION TO OTHER LAW  
19   Sec. 3802.103.  CONTRACTS; GRANTS  
20   Sec. 3802.104.  COMPETITIVE BIDDING  
21   Sec. 3802.105.  APPROVAL OF CERTAIN IMPROVEMENT PROJECTS  
22           [Sections 3802.106-3802.150 reserved for expansion]  
23           SUBCHAPTER D. FINANCIAL PROVISIONS  
24   Sec. 3802.151.  PETITION REQUIRED FOR FINANCING SERVICES AND  
25                   IMPROVEMENTS  
26   Sec. 3802.152.  DISBURSEMENTS AND TRANSFERS OF MONEY  
27   Sec. 3802.153.  AUTHORITY TO IMPOSE AD VALOREM TAXES,

ASSESSMENTS, AND IMPACT FEES

Sec. 3802.154. MAINTENANCE TAX

Sec. 3802.155. ASSESSMENTS; LIENS FOR ASSESSMENTS

Sec. 3802.156. TAX AND ASSESSMENT ABATEMENTS

Sec. 3802.157. PROPERTY EXEMPT FROM ASSESSMENT AND

IMPACT FEES

Sec. 3802.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

Sec. 3802.159. ELECTIONS REGARDING TAXES OR BONDS

Sec. 3802.160. SALES AND USE TAX PROHIBITED

[Sections 3802.161-3802.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3802.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

DEBT

CHAPTER 3802. WESTCHASE DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3802.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "District" means the Westchase District. (Loc. Gov. Code, Secs. 376.043(1), (3).)

Sec. 3802.002. WESTCHASE DISTRICT. A special district in Harris County known as the "Westchase District" is a governmental agency and political subdivision of this state. (Loc. Gov. Code, Sec. 376.041(a).)

Sec. 3802.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI,

1 Texas Constitution, and other public purposes stated in this  
2 chapter. By creating the district and in authorizing Harris  
3 County, the City of Houston, and other political subdivisions to  
4 contract with the district, the legislature has established a  
5 program to accomplish the public purposes set out in Section 52-a,  
6 Article III, Texas Constitution.

7 (b) The creation of the district is necessary to promote,  
8 develop, encourage, and maintain employment, commerce,  
9 transportation, housing, tourism, recreation, the arts,  
10 entertainment, economic development, safety, and the public  
11 welfare in the Westchase area of Harris County.

12 (c) This chapter and the creation of the district may not be  
13 interpreted to relieve Harris County or the City of Houston from  
14 providing the level of services provided as of August 28, 1995, to  
15 the area in the district or to release the county or the city from  
16 the obligations of each entity to provide services to that area.  
17 The district is created to supplement and not to supplant the county  
18 or city services provided in the area in the district. (Loc. Gov.  
19 Code, Secs. 376.041(c), 376.042.)

20 Sec. 3802.004. FINDINGS OF BENEFIT AND PUBLIC  
21 PURPOSE. (a) The district is created to serve a public use and  
22 benefit.

23 (b) All land and other property included in the district  
24 will benefit from the improvements and services to be provided by  
25 the district under powers conferred by Sections 52 and 52-a,  
26 Article III, and Section 59, Article XVI, Texas Constitution, and  
27 other powers granted under this chapter.

1 (c) The creation of the district is in the public interest  
2 and is essential to:

3 (1) further the public purposes of developing and  
4 diversifying the economy of the state;

5 (2) eliminate unemployment and underemployment; and

6 (3) develop or expand transportation and commerce.

7 (d) The district will:

8 (1) promote the health, safety, and general welfare of  
9 residents, employers, employees, visitors, and consumers in the  
10 district, and of the public;

11 (2) provide needed funding for the Westchase area to  
12 preserve, maintain, and enhance the economic health and vitality of  
13 the area as a community and business center; and

14 (3) promote the health, safety, welfare, and enjoyment  
15 of the public by providing pedestrian ways and by landscaping and  
16 developing certain areas in the district, which are necessary for  
17 the restoration, preservation, and enhancement of scenic and  
18 aesthetic beauty.

19 (e) Pedestrian ways along or across a street, whether at  
20 grade or above or below the surface, and street lighting, street  
21 landscaping, and street art objects are parts of and necessary  
22 components of a street and are considered to be a street or road  
23 improvement.

24 (f) The district will not act as the agent or  
25 instrumentality of any private interest even though the district  
26 will benefit many private interests as well as the public. (Loc.  
27 Gov. Code, Sec. 376.046.)

1           Sec. 3802.005. DISTRICT TERRITORY. (a) The district is  
2 composed of the territory described by Section 23.04(b), Chapter  
3 165, Acts of the 75th Legislature, Regular Session, 1997, enacting  
4 former Section 376.044, Local Government Code, as that territory  
5 may have been modified under:

- 6                   (1) Subchapter J, Chapter 49, Water Code; or  
7                   (2) other law.

8           (b) The boundaries and field notes of the district contained  
9 in Section 23.04(b), Chapter 165, Acts of the 75th Legislature,  
10 Regular Session, 1997, enacting former Section 376.044, Local  
11 Government Code, form a closure. A mistake in the field notes or in  
12 copying the field notes in the legislative process does not affect  
13 in any way:

14                   (1) the district's organization, existence, and  
15 validity;

16                   (2) the district's right to issue any type of bond,  
17 including a refunding bond, for a purpose for which the district is  
18 created or to pay the principal of and interest on the bond;

19                   (3) the district's right to impose and collect an  
20 assessment or tax; or

21                   (4) the legality or operation of the district or the  
22 board. (Loc. Gov. Code, Sec. 376.045; New.)

23           Sec. 3802.006. APPLICABILITY OF OTHER LAW. Except as  
24 otherwise provided by this chapter, Chapter 375, Local Government  
25 Code, applies to the district. (Loc. Gov. Code, Sec. 376.047.)

26           Sec. 3802.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
27 chapter shall be liberally construed in conformity with the



findings and purposes stated in this chapter. (Loc. Gov. Code, Sec. 376.048.)

[Sections 3802.008-3802.050 reserved for expansion]

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3802.051. BOARD OF DIRECTORS; TERMS. The district is governed by a board of 17 directors who serve staggered terms of four years, with eight or nine directors' terms expiring June 1 of each odd-numbered year. (Loc. Gov. Code, Sec. 376.049(a).)

Sec. 3802.052. APPOINTMENT OF DIRECTORS. (a) The mayor and members of the governing body of the City of Houston shall appoint directors from persons recommended by the board.

(b) The mayor and members of the governing body of the City of Houston shall appoint as directors for the positions indicated persons representing the following interests:

(1) positions 1, 11, and 12 must represent owners of multifamily rental housing with at least 200 rental units;

(2) position 2 must be a lessee of office space of at least 30,000 square feet of rentable area;

(3) positions 9 and 10 must represent owners of office facilities with at least 500 employees or a taxable value in excess of \$10 million;

(4) positions 8, 13, and 14 must represent owners of multitenant office buildings;

(5) position 15 must represent owners of multitenant retail property or major retail tenants of at least 20,000 square feet;

(6) position 16 must represent owners of temporary

lodging facilities with on-site food service;

(7) position 17 must represent owners of undeveloped property with a contiguous area of at least five acres; and

(8) positions 3, 4, 5, 6, and 7 must represent the district at large and may be filled by any person qualified to serve on the board as provided by Section 375.063, Local Government Code. (Loc. Gov. Code, Sec. 376.050 (part).)

Sec. 3802.053. EX OFFICIO DIRECTORS. The board may appoint nonvoting ex officio directors to serve on the board. (Loc. Gov. Code, Sec. 376.051.)

[Sections 3802.054-3802.100 reserved for expansion]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3802.101. DISTRICT POWERS. The district has:

(1) all powers necessary to accomplish the purposes for which the district was created;

(2) the rights, powers, privileges, authority, and functions of a district created under Chapter 375, Local Government Code; and

(3) the powers given to a corporation under Section 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes), and the power to own, operate, acquire, construct, lease, improve, and maintain projects described by that section. (Loc. Gov. Code, Sec. 376.052(a) (part).)

Sec. 3802.102. RELATION TO OTHER LAW. This chapter prevails over a law to which Section 3802.101 or 3802.156 refers that is in conflict with or is inconsistent with this chapter. (Loc. Gov. Code, Sec. 376.054 (part).)

1           Sec. 3802.103. CONTRACTS; GRANTS. (a) To protect the  
2 public interest, the district may contract with Harris County or  
3 the City of Houston for the county or the city to provide law  
4 enforcement services in the district for a fee.

5           (b) Harris County, the City of Houston, or another political  
6 subdivision of this state, without further authorization, may  
7 contract with the district to implement a project of the district or  
8 assist the district in providing the services authorized under this  
9 chapter. A contract under this subsection may:

- 10                   (1) be for a period on which the parties agree;  
11                   (2) include terms on which the parties agree;  
12                   (3) be payable from taxes or any other source of  
13 revenue that may be available for that project or service; or  
14                   (4) provide terms under which taxes or other revenue  
15 collected at a district project or from a person using or purchasing  
16 a commodity or service at a district project may be paid or rebated  
17 to the district.

18           (c) The district may enter into a contract, lease, or other  
19 agreement with or make or accept a grant or loan to or from any  
20 person, including:

- 21                   (1) the United States;  
22                   (2) this state or a state agency;  
23                   (3) any political subdivision of this state; and  
24                   (4) a public or private corporation, including a  
25 nonprofit corporation created by the board under other law.

26           (d) The district may perform all acts necessary for the full  
27 exercise of the powers vested in the district on terms and for the

1 period the board determines advisable. (Loc. Gov. Code, Sec.  
2 376.064.)

3 Sec. 3802.104. COMPETITIVE BIDDING. The district may  
4 enter into a contract for more than \$10,000 for services,  
5 improvements, or the purchase of property, including materials,  
6 machinery, equipment, and supplies, only as provided by Subchapter  
7 K, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec.  
8 376.065.)

9 Sec. 3802.105. APPROVAL OF CERTAIN IMPROVEMENT  
10 PROJECTS. The district must obtain the City of Houston's approval  
11 of the plans and specifications of any district improvement project  
12 related to the use of land owned by the City of Houston, an easement  
13 granted by the City of Houston, or a right-of-way of a street, road,  
14 or highway. (Loc. Gov. Code, Sec. 376.059.)

15 [Sections 3802.106-3802.150 reserved for expansion]

16 SUBCHAPTER D. FINANCIAL PROVISIONS

17 Sec. 3802.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
18 IMPROVEMENTS. The board may not finance a service or an  
19 improvement project under this chapter unless a written petition  
20 requesting that service or improvement has been filed with the  
21 board. The petition must be signed by:

22 (1) the owners of a majority of the assessed value of  
23 real property in the district according to the most recent  
24 certified tax appraisal roll for Harris County; or

25 (2) at least 50 owners of property in the district, if  
26 more than 50 persons own property in the district according to the  
27 most recent certified tax appraisal roll for Harris County. (Loc.

Gov. Code, Sec. 376.055.)

Sec. 3802.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money. (Loc. Gov. Code, Sec. 376.056.)

Sec. 3802.153. AUTHORITY TO IMPOSE AD VALOREM TAXES, ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem tax, assessment, or impact fee as provided by Chapter 375, Local Government Code, to provide an improvement or service for a project or activity the district may acquire, construct, improve, or provide under this chapter. (Loc. Gov. Code, Sec. 376.052(a) (part).)

Sec. 3802.154. MAINTENANCE TAX. (a) If authorized at an election held in accordance with Section 3802.159, the district may impose an annual ad valorem tax on taxable property in the district to:

(1) maintain and operate the district and the improvements constructed or acquired by the district; or

(2) provide services to industrial or commercial businesses, residents, or property owners.

(b) The board shall determine the tax rate. (Loc. Gov. Code, Sec. 376.062.)

Sec. 3802.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll

1 by the district, penalties and interest on an assessment or  
2 reassessment, an expense of collection, and reasonable attorney's  
3 fees incurred by the district:

4 (1) are a first and prior lien against the property  
5 assessed;

6 (2) are superior to any other lien or claim other than  
7 a lien or claim for county, school district, or municipal ad valorem  
8 taxes; and

9 (3) are the personal liability of and a charge against  
10 the owners of the property even if the owners are not named in the  
11 assessment proceeding.

12 (c) The lien is effective from the date of the board's  
13 resolution imposing the assessment until the date the assessment is  
14 paid. The board may enforce the lien in the same manner that the  
15 board may enforce an ad valorem tax lien against real property.

16 (d) The board may correct, add to, or delete assessments  
17 from its assessment rolls after notice and hearing as provided by  
18 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
19 Secs. 376.052(a) (part), 376.058(a), (b), (c).)

20 Sec. 3802.156. TAX AND ASSESSMENT ABATEMENTS. Without  
21 additional procedures, the district may grant, consistent with  
22 Chapter 312, Tax Code, an abatement for a tax or assessment owed to  
23 the district. (Loc. Gov. Code, Sec. 376.052(a) (part).)

24 Sec. 3802.157. PROPERTY EXEMPT FROM ASSESSMENT AND IMPACT  
25 FEES. The district may not impose an assessment or impact fee on  
26 the property, equipment, or facilities of:

27 (1) an electric utility, as defined by Section 31.002,

1 Utilities Code; or

2 (2) a public utility, as defined by Section 51.002,  
3 Utilities Code. (Loc. Gov. Code, Secs. 376.058(d), 376.061(b).)

4 Sec. 3802.158. OBLIGATIONS; APPROVAL BY CITY OF  
5 HOUSTON. (a) The district may issue bonds or other obligations  
6 payable in whole or in part from ad valorem taxes, assessments,  
7 impact fees, revenue, grants, or other money of the district, or any  
8 combination of those sources of money, to pay for any authorized  
9 purpose of the district.

10 (b) In exercising the district's borrowing power, the  
11 district may issue a bond or other obligation in the form of a bond,  
12 note, certificate of participation or other instrument evidencing a  
13 proportionate interest in payments to be made by the district, or  
14 other type of obligation.

15 (c) Except as provided by Subsection (d), the district must  
16 obtain the approval of the City of Houston:

17 (1) for the issuance of a bond for each improvement  
18 project; and

19 (2) of the plans and specifications of the improvement  
20 project to be financed by the bond.

21 (d) If the district obtains the approval of the City of  
22 Houston of a capital improvements budget for a specified period not  
23 to exceed five years, the district may finance the capital  
24 improvements and issue bonds specified in the budget without  
25 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
26 376.057(a), (b), (c), (d).)

27 Sec. 3802.159. ELECTIONS REGARDING TAXES OR

1 BONDS. (a) In addition to the elections required under  
2 Subchapter L, Chapter 375, Local Government Code, the district must  
3 hold an election in the manner provided by that subchapter to obtain  
4 voter approval before the district may:

- 5 (1) impose a maintenance tax; or  
6 (2) issue a bond payable from ad valorem taxes or  
7 assessments.

8 (b) The board may submit multiple purposes in a single  
9 proposition at an election.

10 (c) The board may not call an election under this chapter  
11 unless a written petition requesting an election has been filed  
12 with the board. The petition must be signed by:

13 (1) the owners of a majority of the assessed value of  
14 real property in the district according to the most recent  
15 certified tax appraisal roll for Harris County; or

16 (2) at least 50 persons who own property in the  
17 district, if there are more than 50 persons who own property in the  
18 district according to the most recent certified tax appraisal roll  
19 for Harris County. (Loc. Gov. Code, Sec. 376.060.)

20 Sec. 3802.160. SALES AND USE TAX PROHIBITED. The district  
21 may not impose a sales and use tax. (Loc. Gov. Code, Sec.  
22 376.052(b) (part).)

23 [Sections 3802.161-3802.200 reserved for expansion]

24 SUBCHAPTER E. DISSOLUTION

25 Sec. 3802.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
26 DEBT. Despite this section and Section 375.264, Local Government  
27 Code, the district may be dissolved as provided by Subchapter M,



Chapter 375, Local Government Code, if the district has debt. If the district has debt when it is dissolved, the district shall remain in existence solely for the purpose of discharging its bonds or other obligations according to their terms. (Loc. Gov. Code, Sec. 376.063.)

CHAPTER 3803. GREATER GREENSPPOINT MANAGEMENT DISTRICT  
OF HARRIS COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3803.001. DEFINITIONS

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Sec. 3803.051. BOARD OF DIRECTORS; TERMS

Sec. 3803.052. APPOINTMENT OF DIRECTORS

[Sections 3803.053-3803.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3803.101. DISTRICT POWERS

Sec. 3803.102. NONPROFIT CORPORATION

Sec. 3803.103. CONTRACTS; GRANTS

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[Sections 3803.105-3803.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3803.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
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Sec. 3803.152. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
ASSESSMENTS, AND IMPACT FEES

Sec. 3803.153. MAINTENANCE TAX

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Sec. 3803.155. TAX AND ASSESSMENT ABATEMENTS

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Sec. 3803.158. ELECTIONS REGARDING TAXES OR  
BONDS

Sec. 3803.159. SALES AND USE TAX PROHIBITED

CHAPTER 3803. GREATER GREENSPPOINT MANAGEMENT DISTRICT  
OF HARRIS COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3803.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the  
district.

(2) "District" means the Greater Greenspoint

1 Management District of Harris County. (Loc. Gov. Code, Secs.  
2 376.083(1), (3).)

3 Sec. 3803.002. GREATER GREENSPPOINT MANAGEMENT DISTRICT OF  
4 HARRIS COUNTY. A special district known as the "Greater  
5 Greenspoint Management District of Harris County" is a governmental  
6 agency and political subdivision of this state. (Loc. Gov. Code,  
7 Sec. 376.081(a).)

8 Sec. 3803.003. PURPOSE; DECLARATION OF INTENT. (a) The  
9 creation of the district is essential to accomplish the purposes of  
10 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
11 Texas Constitution, and to other public purposes stated in this  
12 chapter. By creating the district and in authorizing Harris  
13 County, the City of Houston, and other political subdivisions to  
14 contract with the district, the legislature has established a  
15 program to accomplish the public purposes set out in Section 52-a,  
16 Article III, Texas Constitution.

17 (b) The creation of the district is necessary to promote,  
18 develop, encourage, and maintain employment, commerce, economic  
19 development, the public welfare, transportation, housing, tourism,  
20 convention and convocation activities, recreation, the arts,  
21 entertainment, and safety in the greater Greenspoint area of Harris  
22 County.

23 (c) This chapter and the creation of the district may not be  
24 interpreted to relieve Harris County or the City of Houston from  
25 providing the level of services provided as of August 26, 1991, to  
26 the area in the district or to release the county or the city from  
27 the obligations of each entity to provide services to that area.

1 The district is created to supplement and not to supplant the county  
2 or city services in the area in the district. (Loc. Gov. Code,  
3 Secs. 376.081(c), 376.082.)

4 Sec. 3803.004. FINDINGS OF BENEFIT AND PUBLIC  
5 PURPOSE. (a) The district is created to serve a public use and  
6 benefit.

7 (b) All land and other property included in the district  
8 will benefit from the improvements and services to be provided by  
9 the district under powers conferred by Sections 52 and 52-a,  
10 Article III, and Section 59, Article XVI, Texas Constitution, and  
11 other powers granted under this chapter.

12 (c) The creation of the district is in the public interest  
13 and is essential to:

14 (1) further the public purposes of developing and  
15 diversifying the economy of the state;

16 (2) eliminate unemployment and underemployment; and

17 (3) develop or expand transportation and commerce.

18 (d) The district will:

19 (1) promote the health, safety, and general welfare of  
20 residents, employers, employees, and consumers in the district, and  
21 of the public;

22 (2) provide needed funding for the greater Greenspoint  
23 area to preserve, maintain, and enhance the economic health and  
24 vitality of the area as a community and business center; and

25 (3) promote the health, safety, welfare, and enjoyment  
26 of the public by providing pedestrian ways and by landscaping and  
27 developing certain areas in the district, which are necessary for

1 the restoration, preservation, and enhancement of scenic and  
2 aesthetic beauty.

3 (e) Pedestrian ways along or across a street, whether at  
4 grade or above or below the surface, and street lighting, street  
5 landscaping, and street art objects are parts of and necessary  
6 components of a street and are considered to be a street or road  
7 improvement.

8 (f) The district will not act as the agent or  
9 instrumentality of any private interest even though the district  
10 will benefit many private interests as well as the public. (Loc.  
11 Gov. Code, Sec. 376.086.)

12 Sec. 3803.005. DISTRICT TERRITORY. (a) The district is  
13 composed of the territory described by Section 23.04(b), Chapter  
14 165, Acts of the 75th Legislature, Regular Session, 1997, enacting  
15 former Section 376.084, Local Government Code, as that territory  
16 may have been modified under:

17 (1) Subchapter J, Chapter 49, Water Code; or

18 (2) other law.

19 (b) The boundaries and field notes of the district contained  
20 in Section 23.04(b), Chapter 165, Acts of the 75th Legislature,  
21 Regular Session, 1997, enacting former Section 376.084, Local  
22 Government Code, form a closure. A mistake in the field notes or in  
23 copying the field notes in the legislative process does not in any  
24 way affect:

25 (1) the district's organization, existence, and  
26 validity;

27 (2) the district's right to issue any type of bond,

1 including a refunding bond, for a purpose for which the district is  
2 created or to pay the principal of and interest on the bond;

3 (3) the district's right to impose and collect an  
4 assessment or tax; or

5 (4) the legality or operation of the district or the  
6 board. (Loc. Gov. Code, Sec. 376.085; New.)

7 Sec. 3803.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE  
8 ZONES. (a) All or any part of the area of the district is  
9 eligible, regardless of other statutory criteria, to be included  
10 in:

11 (1) a tax increment reinvestment zone created by the  
12 City of Houston under Chapter 311, Tax Code; or

13 (2) a tax abatement reinvestment zone created by the  
14 City of Houston under Chapter 312, Tax Code.

15 (b) All or any part of the area of the district is eligible  
16 to be nominated for inclusion in an enterprise zone by the City of  
17 Houston under Chapter 2303, Government Code. (Loc. Gov. Code, Sec.  
18 376.102.)

19 Sec. 3803.007. FORECLOSURE OF PREEXISTING TAX LIEN ON  
20 PROPERTY OWNED BY DISTRICT PROHIBITED. Regardless of the manner in  
21 which or the price for which the district obtains title to real  
22 property, a political subdivision or taxing authority may not  
23 foreclose a tax lien or otherwise pursue unpaid taxes on the  
24 property against the district or any successor in title to the  
25 district that is a political subdivision of this state if the lien  
26 or taxes accrued before the district's ownership of the property.  
27 (Loc. Gov. Code, Sec. 376.103.)

1           Sec. 3803.008. RELATION TO OTHER LAW. This chapter  
2 prevails over a law to which this chapter refers that is in conflict  
3 with or is inconsistent with this chapter. (Loc. Gov. Code, Sec.  
4 376.091 (part).)

5           Sec. 3803.009. LIBERAL CONSTRUCTION OF CHAPTER. This  
6 chapter shall be liberally construed in conformity with the  
7 legislative findings and purposes stated in this chapter. (Loc.  
8 Gov. Code, Sec. 376.087.)

9           [Sections 3803.010-3803.050 reserved for expansion]

10                   SUBCHAPTER B. BOARD OF DIRECTORS

11           Sec. 3803.051. BOARD OF DIRECTORS; TERMS. The district is  
12 governed by a board of 22 directors who serve staggered terms of  
13 four years, with 11 directors' terms expiring June 1 of each  
14 odd-numbered year. (Loc. Gov. Code, Sec. 376.088.)

15           Sec. 3803.052. APPOINTMENT OF DIRECTORS. Subchapter D,  
16 Chapter 375, Local Government Code, governs the appointment and  
17 qualification of directors. (Loc. Gov. Code, Sec. 376.089(b).)

18           [Sections 3803.053-3803.100 reserved for expansion]

19                   SUBCHAPTER C. POWERS AND DUTIES

20           Sec. 3803.101. DISTRICT POWERS. The district has:

21                   (1) all powers necessary to accomplish the purposes  
22 for which the district was created;

23                   (2) the rights, powers, privileges, and authority of a  
24 district created under Chapter 375, Local Government Code;

25                   (3) the powers given to a corporation created under  
26 the Development Corporation Act of 1979 (Article 5190.6, Vernon's  
27 Texas Civil Statutes), including:

1                   (A) the power to own, operate, acquire,  
2 construct, lease, improve, and maintain the projects described by  
3 that Act and this chapter and any other authorized project; and

4                   (B) the power to acquire land and other property  
5 in accordance with Section 4B, Development Corporation Act of 1979  
6 (Article 5190.6, Vernon's Texas Civil Statutes); and

7                   (4) the power to create, tax, assess, and hold  
8 elections in a defined area under Chapter 54, Water Code, to provide  
9 improvements or services in the defined area for any project or  
10 activity the district is authorized to acquire, construct, improve,  
11 or provide. (Loc. Gov. Code, Sec. 376.090(a) (part).)

12           Sec. 3803.102. NONPROFIT CORPORATION. (a) The board by  
13 resolution may authorize the creation of a nonprofit corporation to  
14 assist and act for the district in implementing a project,  
15 providing residential housing, or providing a service authorized by  
16 this chapter.

17           (b) The nonprofit corporation:

18                   (1) has each power of and is considered for all  
19 purposes to be a local government corporation created under Chapter  
20 431, Transportation Code; and

21                   (2) may implement any project and provide any service  
22 authorized by this chapter.

23           (c) The board shall appoint the board of directors of the  
24 nonprofit corporation. The board of directors of the nonprofit  
25 corporation shall serve in the same manner as, for the same term as,  
26 and on the conditions of the board of directors of a local  
27 government corporation created under Chapter 431, Transportation



1 Code.

2 (d) The nonprofit corporation may be dissolved as provided  
3 by Chapter 431, Transportation Code, for a corporation created  
4 under that chapter. (Loc. Gov. Code, Sec. 376.093.)

5 Sec. 3803.103. CONTRACTS; GRANTS. (a) To protect the  
6 public interest, the district may contract with any county or  
7 municipality in which all or part of the district is located for the  
8 county or municipality to provide law enforcement services in the  
9 district for a fee.

10 (b) Harris County, the City of Houston, or another political  
11 subdivision of this state, without further authorization, may  
12 contract with the district to implement a project of the district or  
13 to assist the district in providing an authorized service. A  
14 contract under this subsection may:

- 15 (1) be for a period on which the parties agree;  
16 (2) include terms on which the parties agree;  
17 (3) be payable from taxes or any other source of  
18 revenue that may be available for the project or service; and  
19 (4) provide terms under which taxes or other revenue  
20 collected at a district project, at a project in a tax increment  
21 reinvestment zone, or from a person using or purchasing a commodity  
22 or service at a district project may be paid or rebated to the  
23 district.

24 (c) The district may enter into a contract, lease, or other  
25 agreement with or make or accept a grant or loan to or from any  
26 person, including:

- 27 (1) the United States;

1           (2) this state or a state agency;

2           (3) any political subdivision of this state; or

3           (4) a public or private corporation, including a  
4 nonprofit corporation created by the board under this subchapter.

5           (d) The district may perform all acts necessary for the full  
6 exercise of the powers vested in the district on terms and for the  
7 period the board determines advisable. (Loc. Gov. Code, Sec.  
8 376.100.)

9           Sec. 3803.104. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. (a)  
10 The district may:

11           (1) join and pay dues to an organization that  
12 qualifies for an exemption from federal income taxation under  
13 Section 501(a), Internal Revenue Code of 1986, by being listed as an  
14 exempt organization under Section 501(c)(3), 501(c)(4), or  
15 501(c)(6) of that code; and

16           (2) perform services or provide activities consistent  
17 with the furtherance of the purposes of the district.

18           (b) An expenditure of public money for membership in an  
19 organization described by Subsection (a) is considered to further  
20 the purposes of the district and to be for a public purpose. (Loc.  
21 Gov. Code, Sec. 376.101.)

22           [Sections 3803.105-3803.150 reserved for expansion]

23           SUBCHAPTER D. FINANCIAL PROVISIONS

24           Sec. 3803.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
25 IMPROVEMENTS. (a) The board may not finance a service or an  
26 improvement project under this chapter unless a written petition  
27 requesting the service or improvement is filed with the board.

(b) The petition must be signed by:

(1) the owners of a majority of the assessed value of real property in the district according to the most recent certified tax appraisal roll for Harris County; or

(2) at least 50 owners of land in the district, if more than 50 persons own land in the district according to the most recent certified tax appraisal roll for Harris County. (Loc. Gov. Code, Sec. 376.092.)

Sec. 3803.152. AUTHORITY TO IMPOSE AD VALOREM TAXES, ASSESSMENTS, AND IMPACT FEES. The district may, except as provided by Section 3803.156, impose an ad valorem tax, assessment, or impact fee as provided by Chapter 375, Local Government Code, to provide an improvement or service for a project or activity the district may acquire, construct, improve, or provide under this chapter. (Loc. Gov. Code, Sec. 376.090(a) (part).)

Sec. 3803.153. MAINTENANCE TAX. (a) If authorized at an election held in accordance with Section 3803.158, the district may impose an annual ad valorem tax on taxable property in the district to:

(1) maintain and operate the district and the improvements constructed or acquired by the district; and

(2) provide services to industrial or commercial businesses, residents, or property owners.

(b) The board shall determine the tax rate. (Loc. Gov. Code, Sec. 376.097.)

Sec. 3803.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The district may correct, add to, or delete an assessment from its

1 assessment rolls and collect an assessment due under the  
2 correction, addition, or deletion after notice and hearing in the  
3 manner required by Section 375.115, Local Government Code.

4 (b) An assessment, a reassessment, or an assessment  
5 resulting from an addition to or correction of the assessment roll  
6 by the district, penalties and interest on an assessment or  
7 reassessment, an expense of collection, and reasonable attorney's  
8 fees incurred by the district:

9 (1) are a first and prior lien against the property  
10 assessed;

11 (2) are superior to any other lien or claim other than  
12 a lien or claim for county, school district, or municipal ad valorem  
13 taxes; and

14 (3) are the personal liability of and a charge against  
15 the owners of the property even if the owners are not named in the  
16 assessment proceeding.

17 (c) The lien is effective from the date of the board's  
18 resolution imposing the assessment until the date the assessment is  
19 paid. The board may enforce the lien in the same manner that the  
20 board may enforce an ad valorem tax lien against real property.  
21 (Loc. Gov. Code, Secs. 376.090(a) (part), 376.095.)

22 Sec. 3803.155. TAX AND ASSESSMENT ABATEMENTS. Without  
23 further authorization or other procedural requirement, the  
24 district may grant, consistent with Chapter 312, Tax Code, an  
25 abatement for a tax or assessment owed to the district. (Loc. Gov.  
26 Code, Sec. 376.099.)

27 Sec. 3803.156. PROPERTY EXEMPT FROM ASSESSMENT AND IMPACT

1 FEES. Because the district is created in an area that is devoted  
2 primarily to commercial and business activity, the district may not  
3 impose an impact fee or assessment on a single-family residential  
4 property or a residential duplex, triplex, fourplex, or  
5 condominium. (Loc. Gov. Code, Sec. 376.098.)

6 Sec. 3803.157. OBLIGATIONS. (a) The district may issue  
7 bonds or other obligations payable in whole or in part from ad  
8 valorem taxes, assessments, impact fees, revenue, grants, or other  
9 money of the district, or any combination of those sources of money,  
10 to pay for any authorized purpose of the district.

11 (b) In exercising the district's borrowing power, the  
12 district may issue a bond or other obligation in the form of a bond,  
13 note, certificate of participation or other instrument evidencing a  
14 proportionate interest in payments to be made by the district, or  
15 other type of obligation. (Loc. Gov. Code, Sec. 376.094.)

16 Sec. 3803.158. ELECTIONS REGARDING TAXES OR  
17 BONDS. (a) The district must hold an election in the manner  
18 provided by Subchapter L, Chapter 375, Local Government Code, to  
19 obtain voter approval before the district may:

20 (1) impose a maintenance tax; or

21 (2) issue a bond payable from ad valorem taxes or  
22 assessments.

23 (b) The board may submit multiple purposes in a single  
24 proposition at an election.

25 (c) The board may not call an election under this chapter  
26 unless a written petition requesting an election is filed with the  
27 board. The petition must be signed by 50 owners of property in the

district, if more than 50 persons own property in the district according to the most recent certified tax appraisal roll for Harris County.

(d) When issuing a bond payable from a defined area under Chapter 54, Water Code, the district must hold the required election only in the defined area and not in the entire district. (Loc. Gov. Code, Sec. 376.096.)

Sec. 3803.159. SALES AND USE TAX PROHIBITED. The district may not impose a sales and use tax. (Loc. Gov. Code, Sec. 376.090(b).)

#### CHAPTER 3804. FIRST COLONY MANAGEMENT DISTRICT

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3804.001. DEFINITIONS

Sec. 3804.002. FIRST COLONY MANAGEMENT DISTRICT

Sec. 3804.003. PURPOSE; DECLARATION OF INTENT

Sec. 3804.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

Sec. 3804.005. DISTRICT TERRITORY

Sec. 3804.006. ELIGIBILITY FOR REINVESTMENT ZONES

Sec. 3804.007. APPLICABILITY OF OTHER LAW

Sec. 3804.008. LIBERAL CONSTRUCTION OF CHAPTER

[Sections 3804.009-3804.050 reserved for expansion]

##### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3804.051. BOARD OF DIRECTORS; TERMS

Sec. 3804.052. APPOINTMENT OF DIRECTORS

Sec. 3804.053. NONVOTING DIRECTORS

Sec. 3804.054. REMOVAL OF DIRECTORS

[Sections 3804.055-3804.100 reserved for expansion]

1 SUBCHAPTER C. POWERS AND DUTIES

2 Sec. 3804.101. DISTRICT POWERS

3 Sec. 3804.102. RELATION TO OTHER LAW

4 Sec. 3804.103. NONPROFIT CORPORATION

5 Sec. 3804.104. CONTRACTS; GRANTS

6 Sec. 3804.105. COMPETITIVE BIDDING

7 Sec. 3804.106. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS

8 Sec. 3804.107. LIMITATION ON CERTAIN ACTIONS AFFECTING

9 FACILITY OF TEXAS DEPARTMENT OF

10 TRANSPORTATION

11 Sec. 3804.108. ANNEXATION OR EXCLUSION OF TERRITORY

12 [Sections 3804.109-3804.150 reserved for expansion]

13 SUBCHAPTER D. FINANCIAL PROVISIONS

14 Sec. 3804.151. PETITION REQUIRED FOR FINANCING SERVICES

15 AND IMPROVEMENTS

16 Sec. 3804.152. DISBURSEMENTS AND TRANSFERS OF MONEY

17 Sec. 3804.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,

18 ASSESSMENTS, OR IMPACT FEES

19 Sec. 3804.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,

20 ASSESSMENTS, AND IMPACT FEES

21 Sec. 3804.155. MAINTENANCE TAX

22 Sec. 3804.156. ASSESSMENTS; LIENS FOR ASSESSMENTS

23 Sec. 3804.157. PROPERTY EXEMPT FROM ASSESSMENTS AND

24 IMPACT FEES

25 Sec. 3804.158. OBLIGATIONS; APPROVAL BY CITY OF SUGAR LAND

26 Sec. 3804.159. ELECTIONS REGARDING TAXES OR BONDS

27 [Sections 3804.160-3804.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3804.201. DISSOLUTION OF DISTRICT

CHAPTER 3804. FIRST COLONY MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3804.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "District" means the First Colony Management District. (Loc. Gov. Code, Secs. 376.113(1), (2).)

Sec. 3804.002. FIRST COLONY MANAGEMENT DISTRICT. A special district known as the "First Colony Management District" is a governmental agency and political subdivision of this state. (Loc. Gov. Code, Sec. 376.111(a).)

Sec. 3804.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing Fort Bend County, the City of Sugar Land, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the city of Sugar Land.



(c) This chapter and the creation of the district may not be interpreted to relieve Fort Bend County or the City of Sugar Land from providing the level of services provided as of September 1, 1997, to the area in the district or to release the county or the city from the obligations of each entity to provide services to that area. The district is created to supplement and not to supplant the county or city services provided in the area in the district. (Loc. Gov. Code, Secs. 376.111(c), 376.112.)

Sec. 3804.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

(a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) The creation of the district is in the public interest and is essential to:

(1) further the public purposes of developing and diversifying the economy of the state;

(2) eliminate unemployment and underemployment; and

(3) develop or expand transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the City of Sugar Land to preserve, maintain, and enhance the economic health and vitality

1 of the area as a community and business center; and

2 (3) promote the health, safety, welfare, and enjoyment  
3 of the public by providing pedestrian ways and by landscaping and  
4 developing certain areas in the district, which are necessary for  
5 the restoration, preservation, and enhancement of scenic and  
6 aesthetic beauty.

7 (e) Pedestrian ways along or across a street, whether at  
8 grade or above or below the surface, and street lighting, street  
9 landscaping, and street art objects are parts of and necessary  
10 components of a street and are considered to be a street or road  
11 improvement.

12 (f) The district will not act as the agent or  
13 instrumentality of any private interest even though the district  
14 will benefit many private interests as well as the public. (Loc.  
15 Gov. Code, Sec. 376.116.)

16 Sec. 3804.005. DISTRICT TERRITORY. (a) The district is  
17 composed of the territory described by Section 1, Chapter 985, Acts  
18 of the 75th Legislature, Regular Session, 1997, enacting former  
19 Section 376.114, Local Government Code, as that territory may have  
20 been modified under:

21 (1) Section 3804.108 or its predecessor statute,  
22 former Section 376.122, Local Government Code;

23 (2) Subchapter J, Chapter 49, Water Code; or

24 (3) other law.

25 (b) The boundaries and field notes of the district contained  
26 in Section 1, Chapter 985, Acts of the 75th Legislature, Regular  
27 Session, 1997, enacting former Section 376.114, Local Government

Code, form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not in any way affect:

(1) the district's organization, existence, and validity;

(2) the district's right to issue any type of bond, including a refunding bond, for a purpose for which the district is created or to pay the principal of and interest on the bond;

(3) the district's right to impose and collect an assessment or tax; or

(4) the legality or operation of the district or the board. (Loc. Gov. Code, Sec. 376.115; New.)

Sec. 3804.006. ELIGIBILITY FOR REINVESTMENT ZONES.

(a) All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created by the City of Sugar Land under Chapter 311, Tax Code; or

(2) a tax abatement reinvestment zone created by the City of Sugar Land under Chapter 312, Tax Code.

(b) A taxing unit participating in a tax increment reinvestment zone created by a municipality or county may continue to enter into a tax abatement agreement. (Loc. Gov. Code, Sec. 376.137.)

Sec. 3804.007. APPLICABILITY OF OTHER LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district. (Loc. Gov. Code, Sec. 376.117.)

Sec. 3804.008. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the

findings and purposes stated in this chapter. (Loc. Gov. Code, Sec. 376.118.)

[Sections 3804.009-3804.050 reserved for expansion]

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3804.051. BOARD OF DIRECTORS; TERMS. (a) The district is governed by a board of 13 directors who serve staggered terms of four years with six or seven directors' terms expiring June 1 of each odd-numbered year.

(b) The board by resolution may increase or decrease the number of directors on the board, but only if it is in the best interest of the district to do so. The board may not:

(1) increase the number of directors to more than 30;  
or

(2) decrease the number of directors to fewer than nine. (Loc. Gov. Code, Sec. 376.119(a).)

Sec. 3804.052. APPOINTMENT OF DIRECTORS. (a) The mayor and members of the governing body of the City of Sugar Land shall appoint directors from persons recommended by the board.

(b) A person may not be appointed to the board if the appointment of that person would result in fewer than two-thirds of the directors owning property in the city of Sugar Land.

(c) An owner of a tract of land in the district that is 10 or more acres in size may recommend to the board a successor director to fill a position or vacancy on the board unless a director recommended by the current or previous owner of the tract is serving on the board. (Loc. Gov. Code, Secs. 376.120(a) (part), (b), (c).)

Sec. 3804.053. NONVOTING DIRECTORS. The board may appoint

1 nonvoting directors to serve on the board. (Loc. Gov. Code, Sec.  
2 376.121.)

3 Sec. 3804.054. REMOVAL OF DIRECTORS. (a) The board may  
4 remove a director if the director has missed half the meetings  
5 scheduled during the preceding 12 months.

6 (b) A director removed under this section may file a written  
7 appeal with the governing body of the City of Sugar Land. The  
8 governing body may reinstate the director if the body finds that the  
9 removal was unwarranted under the circumstances after considering  
10 the reasons for the absences, the time and place of the meetings,  
11 the business conducted at the meetings missed, and any other  
12 relevant circumstances. (Loc. Gov. Code, Sec. 376.120(d).)

13 [Sections 3804.055-3804.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 3804.101. DISTRICT POWERS. The district has:

16 (1) all powers necessary to accomplish the purposes  
17 for which the district was created;

18 (2) the rights, powers, privileges, authority, and  
19 functions of a district created under Chapter 375, Local Government  
20 Code; and

21 (3) the powers given to a corporation under Section  
22 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
23 Texas Civil Statutes), and the power to own, operate, acquire,  
24 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
25 Sec. 376.122 (part).)

26 Sec. 3804.102. RELATION TO OTHER LAW. This chapter  
27 prevails over a law to which Section 3804.101 or 3804.108 refers

1 that is in conflict with or is inconsistent with this chapter.  
2 (Loc. Gov. Code, Sec. 376.124 (part).)

3 Sec. 3804.103. NONPROFIT CORPORATION. (a) The board by  
4 resolution may authorize the creation of a nonprofit corporation to  
5 assist and act for the district in implementing a project or  
6 providing a service authorized by this chapter.

7 (b) The nonprofit corporation:

8 (1) has each power of and is considered for purposes of  
9 this chapter to be a local government corporation created under  
10 Chapter 431, Transportation Code; and

11 (2) may implement any project and provide any service  
12 authorized by this chapter.

13 (c) The board shall appoint the board of directors of the  
14 nonprofit corporation. The board of directors of the nonprofit  
15 corporation shall serve in the same manner as, for the same term as,  
16 and on the same conditions as the board of directors of a local  
17 government corporation created under Chapter 431, Transportation  
18 Code. (Loc. Gov. Code, Sec. 376.126.)

19 Sec. 3804.104. CONTRACTS; GRANTS. (a) To protect the  
20 public interest, the district may contract with Fort Bend County or  
21 the City of Sugar Land for the county or the city to provide law  
22 enforcement services in the district for a fee.

23 (b) Fort Bend County, the City of Sugar Land, or another  
24 political subdivision of this state, without further  
25 authorization, may contract with the district to implement a  
26 project of the district or assist the district in providing a  
27 service authorized under this chapter. A contract under this

subsection may:

- (1) be for a period on which the parties agree;
- (2) include terms on which the parties agree;
- (3) be payable from taxes or any other source of revenue that may be available for that project or service; and
- (4) provide terms under which taxes or other revenue collected at a district project or from a person using or purchasing a commodity or service at a district project may be paid or rebated to the district.

(c) The district may enter into a contract, lease, or other agreement with or make or accept a grant or loan to or from any person, including:

- (1) the United States;
- (2) this state or a state agency;
- (3) any political subdivision of this state; and
- (4) a public or private corporation, including a nonprofit corporation created by the board under this subchapter.

(d) The district may perform all acts necessary for the full exercise of the powers vested in the district on terms and for the period the board determines advisable. (Loc. Gov. Code, Sec. 376.135.)

Sec. 3804.105. COMPETITIVE BIDDING. The district may enter a contract for more than \$50,000 for services, improvements, or the purchase of property, including materials, machinery, equipment, and supplies, only as provided by Subchapter K, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec. 376.136.)

Sec. 3804.106. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS.

1 The district must obtain the City of Sugar Land's approval of the  
2 plans and specifications of any district improvement project  
3 related to the use of land owned by the City of Sugar Land, an  
4 easement granted by the City of Sugar Land, or a right-of-way of a  
5 street, road, or highway. (Loc. Gov. Code, Sec. 376.130.)

6 Sec. 3804.107. LIMITATION ON CERTAIN ACTIONS AFFECTING  
7 FACILITY OF TEXAS DEPARTMENT OF TRANSPORTATION. The district may  
8 not relocate, adjust, raise, lower, reroute, or change the grade or  
9 the construction of a facility under the jurisdiction of the Texas  
10 Department of Transportation without the department's written  
11 approval. (Loc. Gov. Code, Sec. 376.123(c).)

12 Sec. 3804.108. ANNEXATION OR EXCLUSION OF TERRITORY. The  
13 district may annex or exclude land, whether located inside or  
14 outside the boundaries of the city of Sugar Land, as provided by  
15 Subchapter J, Chapter 49, Water Code. (Loc. Gov. Code, Sec. 376.122  
16 (part).)

17 [Sections 3804.109-3804.150 reserved for expansion]

18 SUBCHAPTER D. FINANCIAL PROVISIONS

19 Sec. 3804.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
20 IMPROVEMENTS. (a) The board may not finance a service or an  
21 improvement project under this chapter unless a written petition  
22 requesting that service or improvement is filed with the board.

23 (b) The petition must be signed by:

24 (1) the owners of a majority of the assessed value of  
25 real property in the district according to the most recent  
26 certified tax appraisal roll for Fort Bend County;

27 (2) the owners of a majority of the surface area of



1 real property in the district, according to the most recent  
2 certified tax appraisal roll for Fort Bend County, excluding roads,  
3 streets, highways, and utility rights-of-way, other public areas,  
4 and any other property exempt from assessment under this chapter;  
5 or

6 (3) at least 50 owners of land in the district, if more  
7 than 50 persons own property in the district according to the most  
8 recent certified tax appraisal roll for Fort Bend County. (Loc.  
9 Gov. Code, Sec. 376.125.)

10 Sec. 3804.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
11 board by resolution shall establish the number of directors'  
12 signatures and the procedure required for a disbursement or  
13 transfer of the district's money. (Loc. Gov. Code, Sec. 376.127.)

14 Sec. 3804.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
15 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
16 or impact fee requires a vote of a majority of the directors  
17 serving. (Loc. Gov. Code, Sec. 376.119(b) (part).)

18 Sec. 3804.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
19 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
20 tax, assessment, or impact fee as provided by Chapter 375, Local  
21 Government Code, to provide an improvement or service for a project  
22 or activity the district may acquire, construct, improve, or  
23 provide under this chapter. (Loc. Gov. Code, Sec. 376.122 (part).)

24 Sec. 3804.155. MAINTENANCE TAX. (a) If authorized at an  
25 election held in accordance with Section 3804.159, the district may  
26 impose an annual ad valorem tax on taxable property in the district  
27 to:

1           (1) maintain and operate the district and the  
2 improvements constructed or acquired by the district; or

3           (2) provide a service.

4           (b) The board shall determine the tax rate. (Loc. Gov.  
5 Code, Sec. 376.133.)

6           Sec. 3804.156. ASSESSMENTS; LIENS FOR ASSESSMENTS.

7           (a) The board by resolution may impose and collect an assessment  
8 for any purpose authorized by this chapter.

9           (b) An assessment, a reassessment, or an assessment  
10 resulting from an addition to or correction of the assessment roll  
11 by the district, penalties and interest on an assessment or  
12 reassessment, an expense of collection, and reasonable attorney's  
13 fees incurred by the district:

14           (1) are a first and prior lien against the property  
15 assessed;

16           (2) are superior to any other lien or claim other than  
17 a lien or claim for county, school district, or municipal ad valorem  
18 taxes; and

19           (3) are the personal liability of and a charge against  
20 the owners of the property even if the owners are not named in the  
21 assessment proceeding.

22           (c) The lien is effective from the date of the board's  
23 resolution imposing the assessment until the date the assessment is  
24 paid. The board may enforce the lien in the same manner that the  
25 board may enforce an ad valorem tax lien against real property.

26           (d) The board may correct, add to, or delete assessments  
27 from its assessment rolls after notice and hearing as provided by

1 Subchapter F, Chapter 375, Local Government Code.

2 (e) If equipment installed, at no cost to the district, on  
3 assessed property reduces the district's cost of providing a  
4 service, the district may reduce the amount of the assessment  
5 against the property for the person required to pay the assessment  
6 by an amount equal to the money saved by the equipment or may rebate  
7 the money saved to the person required to pay the assessment. The  
8 amount of money saved is determined solely by the district. The  
9 district shall determine and apply rebates and reductions under  
10 this subsection in a nondiscriminatory manner. (Loc. Gov. Code,  
11 Secs. 376.122 (part), 376.129(a), (b), (c), (e).)

12 Sec. 3804.157. PROPERTY EXEMPT FROM ASSESSMENTS AND IMPACT  
13 FEES. The district may not, without the consent of the owner,  
14 impose an impact fee or assessment under Chapter 375, Local  
15 Government Code, on:

16 (1) a condominium for which the owner meets all the  
17 requirements to claim a homestead exemption, a single-family  
18 detached residential property, or a residential duplex, triplex, or  
19 fourplex;

20 (2) a tract consistently and continuously used for:

21 (A) religious worship or a school that is  
22 maintained or owned by or affiliated with a religious organization;  
23 or

24 (B) a use ancillary to and in keeping with the  
25 operation of a full-service church or school affiliated with a  
26 religious organization;

27 (3) a tract owned by this state or the United States

1 and used for a public purpose;

2 (4) a tract owned by the City of Sugar Land, Fort Bend  
3 County, or another political subdivision and used for a public  
4 purpose; or

5 (5) a tract that is owned in fee simple by a community  
6 services association or property owners' association and that is  
7 not leased to a person who is not exempt under this chapter. (Loc.  
8 Gov. Code, Sec. 376.129(d).)

9 Sec. 3804.158. OBLIGATIONS; APPROVAL BY CITY OF SUGAR LAND.

10 (a) The district may issue bonds or other obligations payable in  
11 whole or in part from ad valorem taxes, assessments, impact fees,  
12 revenue, grants, or other money of the district, or any combination  
13 of those sources of money, to pay for any authorized purpose of the  
14 district.

15 (b) In exercising the district's borrowing power, the  
16 district may issue a bond or other obligation in the form of a bond,  
17 note, certificate of participation or other instrument evidencing a  
18 proportionate interest in payments to be made by the district, or  
19 other type of obligation.

20 (c) Except as provided by Subsection (d), the district must  
21 obtain the approval of the City of Sugar Land:

22 (1) for the issuance of a bond for each improvement  
23 project; and

24 (2) of the plans and specifications of the improvement  
25 project to be financed by the bond.

26 (d) If the district obtains the approval of the City of  
27 Sugar Land of a capital improvements budget for a specified period

1 not to exceed five years, the district may finance the capital  
2 improvements and issue bonds specified in the budget without  
3 further approval from the City of Sugar Land. (Loc. Gov. Code,  
4 Secs. 376.128(a), (b), (c), (d).)

5 Sec. 3804.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
6 addition to the elections required under Subchapter L, Chapter 375,  
7 Local Government Code, the district must hold an election in the  
8 manner provided by that subchapter to obtain voter approval before  
9 the district may:

10 (1) impose a maintenance tax; or

11 (2) issue a bond payable from ad valorem taxes or  
12 assessments.

13 (b) The board may submit multiple purposes in a single  
14 proposition at an election.

15 (c) The board may not call an election under this chapter  
16 unless a written petition requesting an election is filed with the  
17 board. The petition must be signed by:

18 (1) the owners of a majority of the assessed value of  
19 real property in the district according to the most recent  
20 certified tax appraisal roll for Fort Bend County;

21 (2) the owners of the majority of the surface area of  
22 real property in the district, according to the most recent  
23 certified tax appraisal roll for Fort Bend County, excluding roads,  
24 streets, highways, and utility rights-of-way, other public areas,  
25 and any other property exempt from assessment under this chapter;  
26 or

27 (3) at least 50 owners of land in the district, if more

1 than 50 persons own property in the district according to the most  
2 recent certified tax appraisal roll for Fort Bend County. (Loc.  
3 Gov. Code, Sec. 376.131.)

4 [Sections 3804.160-3804.200 reserved for expansion]

5 SUBCHAPTER E. DISSOLUTION

6 Sec. 3804.201. DISSOLUTION OF DISTRICT. (a) The district  
7 may be dissolved as provided by Subchapter M, Chapter 375, Local  
8 Government Code, except that the dissolution must be approved by:

9 (1) a three-fourths vote of the board; and

10 (2) a two-thirds vote of the City of Sugar Land's  
11 governing body.

12 (b) Despite this section and Section 375.264, Local  
13 Government Code, the district may be dissolved as provided by  
14 Subchapter M, Chapter 375, Local Government Code, if the district  
15 has debt. If the district has debt when it is dissolved, the  
16 district shall remain in existence solely for the purpose of  
17 discharging its bonds or other obligations according to their  
18 terms. (Loc. Gov. Code, Sec. 376.134.)

19 CHAPTER 3805. UPPER KIRBY MANAGEMENT DISTRICT

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 3805.001. DEFINITIONS

22 Sec. 3805.002. UPPER KIRBY MANAGEMENT DISTRICT

23 Sec. 3805.003. PURPOSE; DECLARATION OF INTENT

24 Sec. 3805.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

25 Sec. 3805.005. DISTRICT TERRITORY

26 Sec. 3805.006. TORT LIABILITY

27 Sec. 3805.007. ELIGIBILITY FOR REINVESTMENT ZONES

1 Sec. 3805.008. RELATION TO OTHER LAW  
2 Sec. 3805.009. LIBERAL CONSTRUCTION OF CHAPTER  
3 [Sections 3805.010-3805.050 reserved for expansion]  
4 SUBCHAPTER B. BOARD OF DIRECTORS  
5 Sec. 3805.051. BOARD OF DIRECTORS; TERMS  
6 Sec. 3805.052. APPOINTMENT OF DIRECTORS ON INCREASE  
7 IN BOARD SIZE  
8 [Sections 3805.053-3805.100 reserved for expansion]  
9 SUBCHAPTER C. POWERS AND DUTIES  
10 Sec. 3805.101. DISTRICT POWERS  
11 Sec. 3805.102. NONPROFIT CORPORATION  
12 Sec. 3805.103. ELECTIONS  
13 Sec. 3805.104. CONTRACT FOR LAW ENFORCEMENT AND SECURITY  
14 SERVICES  
15 Sec. 3805.105. ANNEXATION OR EXCLUSION OF TERRITORY  
16 [Sections 3805.106-3805.150 reserved for expansion]  
17 SUBCHAPTER D. FINANCIAL PROVISIONS  
18 Sec. 3805.151. AUTHORITY TO IMPOSE ASSESSMENTS, AD VALOREM  
19 TAXES, AND IMPACT FEES  
20 Sec. 3805.152. MAINTENANCE TAX  
21 Sec. 3805.153. ASSESSMENTS CONSIDERED TAXES  
22 Sec. 3805.154. LIENS FOR ASSESSMENTS; SUITS TO RECOVER  
23 ASSESSMENTS  
24 Sec. 3805.155. PROPERTY OF ELECTRIC UTILITY EXEMPT FROM  
25 ASSESSMENT AND IMPACT FEES  
26 Sec. 3805.156. DEBT  
27 [Sections 3805.157-3805.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3805.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
DEBT

CHAPTER 3805. UPPER KIRBY MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3805.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "District" means the Upper Kirby Management District. (Loc. Gov. Code, Secs. 376.153(1), (2).)

Sec. 3805.002. UPPER KIRBY MANAGEMENT DISTRICT. A special district known as the "Upper Kirby Management District" is a governmental agency and political subdivision of this state. (Loc. Gov. Code, Sec. 376.151(a).)

Sec. 3805.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing Harris County, the City of Houston, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public



1 welfare in the area traversed by Kirby Drive in the city of Houston.

2 (c) This chapter and the creation of the district may not be  
3 interpreted to relieve Harris County or the City of Houston from  
4 providing the level of services provided as of September 1, 1997, to  
5 the area in the district or to release the county or the city from  
6 the obligations of each entity to provide services to that area.  
7 The district is created to supplement and not to supplant the county  
8 or city services provided in the area in the district. (Loc. Gov.  
9 Code, Secs. 376.151(c), 376.152.)

10 Sec. 3805.004. FINDINGS OF BENEFIT AND PUBLIC  
11 PURPOSE. (a) The district is created to serve a public use and  
12 benefit.

13 (b) All land and other property included in the district  
14 will benefit from the improvements and services to be provided by  
15 the district under powers conferred by Sections 52 and 52-a,  
16 Article III, and Section 59, Article XVI, Texas Constitution, and  
17 other powers granted under this chapter.

18 (c) Each improvement project or service authorized by this  
19 chapter is essential to carry out a public purpose.

20 (d) The creation of the district is in the public interest  
21 and is essential to:

22 (1) further the public purposes of developing and  
23 diversifying the economy of the state;

24 (2) eliminate unemployment and underemployment; and

25 (3) develop or expand transportation and commerce.

26 (e) The district will:

27 (1) promote the health, safety, and general welfare of

1 residents, employers, employees, visitors, and consumers in the  
2 district, and of the public;

3 (2) provide needed funding for the Kirby Drive  
4 vicinity of the city of Houston to preserve, maintain, and enhance  
5 the economic health and vitality of the area as a community and  
6 business center;

7 (3) promote the health, safety, welfare, and enjoyment  
8 of the public by providing public art and pedestrian ways and by  
9 landscaping and developing certain areas in the district, which are  
10 necessary for the restoration, preservation, and enhancement of  
11 scenic and aesthetic beauty;

12 (4) promote and benefit commercial development and  
13 commercial areas in the Kirby Drive vicinity of the city of Houston;  
14 and

15 (5) promote and develop public transportation and  
16 pedestrian facilities and systems using new and alternative means  
17 that are attractive, safe, and convenient, including securing  
18 expanded and improved transportation and pedestrian facilities and  
19 systems, to:

20 (A) address the problem of traffic congestion in  
21 the district, the need to control traffic and improve pedestrian  
22 safety, and the limited availability of money; and

23 (B) benefit the land and other property in the  
24 district and the residents, employers, employees, visitors, and  
25 consumers in the district and the public.

26 (f) Pedestrian ways along or across a street, whether at  
27 grade or above or below the surface, and street lighting, street

1 landscaping, and street art objects are parts of and necessary  
2 components of a street and are considered to be a street or road  
3 improvement.

4 (g) The district will not act as the agent or  
5 instrumentality of any private interest even though the district  
6 will benefit many private interests as well as the public. (Loc.  
7 Gov. Code, Sec. 376.156.)

8 Sec. 3805.005. DISTRICT TERRITORY. (a) The district is  
9 composed of the territory described by Section 1, Chapter 1202,  
10 Acts of the 77th Legislature, Regular Session, 2001, amending  
11 former Section 376.154, Local Government Code, as that territory  
12 may have been modified under:

13 (1) Section 3805.105 or its predecessor statutes,  
14 former Section 376.124(b), Local Government Code, as added by  
15 Chapter 275, Acts of the 75th Legislature, Regular Session, 1997,  
16 and former Section 376.154(b), Local Government Code;

17 (2) Subchapter J, Chapter 49, Water Code; or

18 (3) other law.

19 (b) The boundaries and field notes of the district contained  
20 in Section 1, Chapter 1202, Acts of the 77th Legislature, Regular  
21 Session, 2001, amending former Section 376.154, Local Government  
22 Code, form a closure. A mistake in the field notes or in copying the  
23 field notes in the legislative process does not in any way affect:

24 (1) the district's organization, existence, and  
25 validity;

26 (2) the district's right to issue any type of bond,  
27 including a refunding bond, for a purpose for which the district is

1 created or to pay the principal of and interest on the bond;

2 (3) the district's right to impose and collect an  
3 assessment or tax; or

4 (4) the legality or operation of the district or the  
5 board.

6 (c) A description of the district's boundaries shall be  
7 filed with the Texas Commission on Environmental Quality. The  
8 commission by order may correct a mistake in the description of the  
9 district's boundaries. (Loc. Gov. Code, Secs. 376.154(c), 376.155;  
10 New.)

11 Sec. 3805.006. TORT LIABILITY. The district is a  
12 governmental unit under Chapter 101, Civil Practice and Remedies  
13 Code, and the operations of the district are essential government  
14 functions and are not proprietary functions for any purpose,  
15 including the application of Chapter 101, Civil Practice and  
16 Remedies Code. (Loc. Gov. Code, Sec. 376.162.)

17 Sec. 3805.007. ELIGIBILITY FOR REINVESTMENT ZONES. All or  
18 any part of the area of the district is eligible to be included in a  
19 tax increment reinvestment zone created by the City of Houston  
20 under Chapter 311, Tax Code. (Loc. Gov. Code, Sec. 376.169.)

21 Sec. 3805.008. RELATION TO OTHER LAW. This chapter  
22 prevails over any provision of general law, including a law to which  
23 this chapter refers, that is in conflict with or is inconsistent  
24 with this chapter. (Loc. Gov. Code, Sec. 376.161 (part).)

25 Sec. 3805.009. LIBERAL CONSTRUCTION OF CHAPTER. This  
26 chapter shall be liberally construed in conformity with the  
27 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.

376.157.)

[Sections 3805.010-3805.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3805.051. BOARD OF DIRECTORS; TERMS. (a) The district is governed by a board of five directors who serve staggered terms of four years.

(b) The board by resolution may increase or decrease the number of directors on the board, but only if a majority of the board finds that it is in the best interest of the district to do so.

The board may not:

(1) increase the number of directors to more than nine; or

(2) decrease the number of directors to fewer than five.

(c) Sections 49.053, 49.054, 49.056, 49.057, 49.058, and 49.060, Water Code, apply to the board.

(d) Subchapter D, Chapter 375, Local Government Code, applies to the board to the extent that subchapter does not conflict with this chapter. (Loc. Gov. Code, Sec. 376.158.)

Sec. 3805.052. APPOINTMENT OF DIRECTORS ON INCREASE IN BOARD SIZE. If the board increases the number of directors under Section 3805.051, the board shall appoint qualified persons to fill the new director positions and shall provide for staggering the terms of the directors serving in the new positions. On expiration of the term of a director appointed under this section, a succeeding director shall be appointed and qualified as provided by Subchapter D, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec.

1 376.159(b).)

2 [Sections 3805.053-3805.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Sec. 3805.101. DISTRICT POWERS. The district has:

5 (1) all powers necessary to accomplish the purposes  
6 for which the district was created;

7 (2) the rights, powers, privileges, authority, and  
8 functions of a district created under Chapter 375, Local Government  
9 Code;

10 (3) the powers, duties, and contracting authority  
11 specified by Subchapters H and I, Chapter 49, Water Code;

12 (4) the powers given to a corporation under Section  
13 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
14 Texas Civil Statutes), including the power to own, operate,  
15 acquire, construct, lease, improve, and maintain the projects  
16 described by that section; and

17 (5) the powers of a housing finance corporation  
18 created under Chapter 394, Local Government Code. (Loc. Gov. Code,  
19 Sec. 376.160 (part).)

20 Sec. 3805.102. NONPROFIT CORPORATION. (a) The board by  
21 resolution may authorize the creation of a nonprofit corporation to  
22 assist and act for the district in implementing a project or  
23 providing a service authorized by this chapter.

24 (b) The nonprofit corporation:

25 (1) has each power of and is considered for purposes of  
26 this chapter to be a local government corporation created under  
27 Chapter 431, Transportation Code; and

1           (2) may implement any project and provide any service  
2 authorized by this chapter.

3           (c) The board shall appoint the board of directors of the  
4 nonprofit corporation. The board of directors of the nonprofit  
5 corporation shall serve in the same manner as, for the same term as,  
6 and on the same conditions as the board of directors of a local  
7 government corporation created under Chapter 431, Transportation  
8 Code. (Loc. Gov. Code, Sec. 376.163.)

9           Sec. 3805.103. ELECTIONS. (a) District elections must be  
10 held in the manner provided by Subchapter L, Chapter 375, Local  
11 Government Code.

12           (b) The board may submit multiple purposes in a single  
13 proposition at an election. (Loc. Gov. Code, Sec. 376.166.)

14           Sec. 3805.104. CONTRACT FOR LAW ENFORCEMENT AND SECURITY  
15 SERVICES. The district may contract with:

16           (1) Harris County or the City of Houston for the county  
17 or city to provide law enforcement and security services for a fee;  
18 and

19           (2) a private entity for the private entity to provide  
20 supplemental security services. (Loc. Gov. Code, Sec. 376.160  
21 (part).)

22           Sec. 3805.105. ANNEXATION OR EXCLUSION OF TERRITORY. The  
23 district may annex or exclude land from the district in the manner  
24 provided by Subchapter C, Chapter 375, Local Government Code.  
25 (Loc. Gov. Code, Sec. 376.154(b).)

26           [Sections 3805.106-3805.150 reserved for expansion]

27           SUBCHAPTER D. FINANCIAL PROVISIONS

1           Sec. 3805.151. AUTHORITY TO IMPOSE ASSESSMENTS, AD VALOREM  
2 TAXES, AND IMPACT FEES. The district may impose, assess, charge, or  
3 collect an assessment, an ad valorem tax, an impact fee, or another  
4 fee in accordance with Chapter 49, Water Code, for a purpose  
5 specified by Chapter 375, Local Government Code, or as needed to  
6 exercise a power or function or to accomplish a purpose or duty for  
7 which the district was created. (Loc. Gov. Code, Sec. 376.160  
8 (part).)

9           Sec. 3805.152. MAINTENANCE TAX. (a) If authorized at an  
10 election held in accordance with Section 3805.103, the district may  
11 impose an annual ad valorem tax on taxable property in the district  
12 to maintain, restore, replace, or operate the district and  
13 improvements that the district constructs or acquires or the  
14 district's facilities, works, or services.

15           (b) The board shall determine the tax rate. (Loc. Gov.  
16 Code, Sec. 376.167.)

17           Sec. 3805.153. ASSESSMENTS CONSIDERED TAXES. For purposes  
18 of a title insurance policy issued under Chapter 9, Insurance Code,  
19 an assessment is a tax. (Loc. Gov. Code, Sec. 376.165(f).)

20           Sec. 3805.154. LIENS FOR ASSESSMENTS; SUITS TO RECOVER  
21 ASSESSMENTS. (a) An assessment imposed on property under this  
22 chapter is a personal obligation of the person who owns the property  
23 on January 1 of the year for which the assessment is imposed. If the  
24 person transfers title to the property, the person is not relieved  
25 of the obligation.

26           (b) On January 1 of the year for which an assessment is  
27 imposed on a property, a lien attaches to the property to secure the



1 payment of the assessment and any interest accrued on the  
2 assessment. The lien has the same priority as a lien for district  
3 taxes.

4 (c) Not later than the fourth anniversary of the date on  
5 which a delinquent assessment became due, the district may file  
6 suit to foreclose the lien or to enforce the obligation for the  
7 assessment, or both, and for any interest accrued.

8 (d) In addition to recovering the amount of the assessment  
9 and any accrued interest, the district may recover reasonable  
10 costs, including attorney's fees, that the district incurs in  
11 foreclosing the lien or enforcing the obligation. The costs may not  
12 exceed an amount equal to 20 percent of the assessment and interest.

13 (e) If the district does not file a suit in connection with a  
14 delinquent assessment on or before the last date on which the  
15 district may file suit under Subsection (c), the assessment and any  
16 interest accrued is considered paid. (Loc. Gov. Code, Secs.  
17 376.165(a), (b), (c), (d), (e).)

18 Sec. 3805.155. PROPERTY OF ELECTRIC UTILITY EXEMPT FROM  
19 ASSESSMENT AND IMPACT FEES. The district may not impose an impact  
20 fee or assessment on the property, equipment, or facilities of an  
21 electric utility as defined by Section 31.002, Utilities Code.  
22 (Loc. Gov. Code, Sec. 376.170.)

23 Sec. 3805.156. DEBT. The district may issue bonds, notes,  
24 or other debt obligations in accordance with Subchapters I and J,  
25 Chapter 375, Local Government Code, for a purpose specified by that  
26 chapter or as required to exercise a power or function or to  
27 accomplish a purpose or duty for which the district was created.

(Loc. Gov. Code, Sec. 376.164.)

[Sections 3805.157-3805.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3805.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBT. (a) The district may be dissolved as provided by Subchapter M, Chapter 375, Local Government Code.

(b) Regardless of Section 375.264, Local Government Code, if the district has debt, the district may be dissolved as provided by Subchapter M, Chapter 375, Local Government Code. If the district has debt when it is dissolved, the district shall remain in existence solely for the purpose of discharging its bonds or other obligations according to their terms. (Loc. Gov. Code, Sec. 376.168.)

CHAPTER 3806. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3806.001. DEFINITIONS

Sec. 3806.002. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2

Sec. 3806.003. PURPOSE; DECLARATION OF INTENT

Sec. 3806.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

Sec. 3806.005. DISTRICT TERRITORY

Sec. 3806.006. APPLICABILITY OF OTHER LAW

Sec. 3806.007. LIBERAL CONSTRUCTION OF CHAPTER

[Sections 3806.008-3806.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3806.051. BOARD OF DIRECTORS; TERMS

Sec. 3806.052. APPOINTMENT OF DIRECTORS

[Sections 3806.053-3806.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3806.101. DISTRICT POWERS

Sec. 3806.102. RELATION TO OTHER LAW

Sec. 3806.103. NONPROFIT CORPORATION

Sec. 3806.104. CONTRACTS; GRANTS

[Sections 3806.105-3806.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3806.151. PETITION REQUIRED FOR FINANCING SERVICES  
AND IMPROVEMENTS

Sec. 3806.152. DISBURSEMENTS AND TRANSFERS OF MONEY

Sec. 3806.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
ASSESSMENTS, OR IMPACT FEES

Sec. 3806.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
ASSESSMENTS, AND IMPACT FEES

Sec. 3806.155. MAINTENANCE TAX

Sec. 3806.156. ASSESSMENTS; LIENS FOR ASSESSMENTS

Sec. 3806.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES,  
AND ASSESSMENTS

Sec. 3806.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

Sec. 3806.159. ELECTIONS REGARDING TAXES OR BONDS

[Sections 3806.160-3806.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3806.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
DEBT

CHAPTER 3806. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3806.001. DEFINITIONS. In this chapter:

1           (1) "Board" means the board of directors of the  
2 district.

3           (2) "District" means the Harris County Improvement  
4 District No. 2. (Loc. Gov. Code, Secs. 376.213(1), (3).)

5           Sec. 3806.002. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 2. A  
6 special district known as the "Harris County Improvement District  
7 No. 2" is a governmental agency and political subdivision of this  
8 state. (Loc. Gov. Code, Sec. 376.211(a).)

9           Sec. 3806.003. PURPOSE; DECLARATION OF INTENT. (a) The  
10 creation of the district is essential to accomplish the purposes of  
11 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
12 Texas Constitution, and other public purposes stated in this  
13 chapter. By creating the district and in authorizing Harris  
14 County, the City of Houston, and other political subdivisions to  
15 contract with the district, the legislature has established a  
16 program to accomplish the public purposes set out in Section 52-a,  
17 Article III, Texas Constitution.

18           (b) The creation of the district is necessary to promote,  
19 develop, encourage, and maintain employment, commerce,  
20 transportation, housing, tourism, recreation, the arts,  
21 entertainment, economic development, safety, and the public  
22 welfare in the Richmond Avenue area of Houston.

23           (c) This chapter and the creation of the district may not be  
24 interpreted to relieve Harris County or the City of Houston from  
25 providing the level of services provided as of September 1, 1997, to  
26 the area in the district or to release the county or the city from  
27 the obligations of each entity to provide services to that area.

1 The district is created to supplement and not to supplant the county  
2 or city services provided in the area in the district. (Loc. Gov.  
3 Code, Secs. 376.211(c), 376.212.)

4 Sec. 3806.004. FINDINGS OF BENEFIT AND PUBLIC  
5 PURPOSE. (a) The district is created to serve a public use and  
6 benefit.

7 (b) All land and other property included in the district  
8 will benefit from the improvements and services to be provided by  
9 the district under powers conferred by Sections 52 and 52-a,  
10 Article III, and Section 59, Article XVI, Texas Constitution, and  
11 other powers granted under this chapter.

12 (c) The creation of the district is in the public interest  
13 and is essential to:

14 (1) further the public purposes of developing and  
15 diversifying the economy of the state;

16 (2) eliminate unemployment and underemployment; and

17 (3) develop or expand transportation and commerce.

18 (d) The district will:

19 (1) promote the health, safety, and general welfare of  
20 residents, employers, employees, visitors, and consumers in the  
21 district, and of the public;

22 (2) provide needed funding to preserve, maintain, and  
23 enhance the economic health and vitality of the area in the district  
24 as a community and business center; and

25 (3) promote the health, safety, welfare, and enjoyment  
26 of the public by providing pedestrian ways and by landscaping and  
27 developing certain areas in the district, which are necessary for

1 the restoration, preservation, and enhancement of scenic and  
2 aesthetic beauty.

3 (e) Pedestrian ways along or across a street, whether at  
4 grade or above or below the surface, and street lighting, street  
5 landscaping, and street art objects are parts of and necessary  
6 components of a street and are considered to be a street or road  
7 improvement.

8 (f) The district will not act as the agent or  
9 instrumentality of any private interest even though the district  
10 will benefit many private interests as well as the public. (Loc.  
11 Gov. Code, Sec. 376.216.)

12 Sec. 3806.005. DISTRICT TERRITORY. (a) The district is  
13 composed of the territory described by Section 1, Chapter 679, Acts  
14 of the 75th Legislature, Regular Session, 1997, enacting former  
15 Section 376.214, Local Government Code, as that territory may have  
16 been modified under:

17 (1) Subchapter J, Chapter 49, Water Code; or

18 (2) other law.

19 (b) The boundaries and field notes of the district contained  
20 in Section 1, Chapter 679, Acts of the 75th Legislature, Regular  
21 Session, 1997, enacting former Section 376.214, Local Government  
22 Code, form a closure. A mistake in the field notes or in copying the  
23 field notes in the legislative process does not in any way affect:

24 (1) the district's organization, existence, and  
25 validity;

26 (2) the district's right to issue any type of bond,  
27 including a refunding bond, for a purpose for which the district is

1 created or to pay the principal of and interest on the bond;

2 (3) the district's right to impose and collect an  
3 assessment or tax; or

4 (4) the legality or operation of the district or the  
5 board. (Loc. Gov. Code, Sec. 376.215; New.)

6 Sec. 3806.006. APPLICABILITY OF OTHER LAW. Except as  
7 otherwise provided by this chapter, Chapter 375, Local Government  
8 Code, applies to the district. (Loc. Gov. Code, Sec. 376.217.)

9 Sec. 3806.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
10 chapter shall be liberally construed in conformity with the  
11 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
12 376.218.)

13 [Sections 3806.008-3806.050 reserved for expansion]

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Sec. 3806.051. BOARD OF DIRECTORS; TERMS. (a) The  
16 district is governed by a board of nine directors who serve  
17 staggered terms of four years, with four or five directors' terms  
18 expiring June 1 of each odd-numbered year.

19 (b) The board by resolution may increase or decrease the  
20 number of directors on the board, but only if it is in the best  
21 interest of the district to do so. The board may not:

22 (1) increase the number of directors to more than 30;  
23 or

24 (2) decrease the number of directors to fewer than  
25 nine. (Loc. Gov. Code, Sec. 376.219(a).)

26 Sec. 3806.052. APPOINTMENT OF DIRECTORS. The mayor and  
27 members of the governing body of the City of Houston shall appoint

1 directors from persons recommended by the board who meet the  
2 requirements of Subchapter D, Chapter 375, Local Government Code.  
3 (Loc. Gov. Code, Sec. 376.220 (part).)

4 [Sections 3806.053-3806.100 reserved for expansion]

5 SUBCHAPTER C. POWERS AND DUTIES

6 Sec. 3806.101. DISTRICT POWERS. The district has:

7 (1) all powers necessary to accomplish the purposes  
8 for which the district was created;

9 (2) the rights, powers, privileges, authority, and  
10 functions of a district created under Chapter 375, Local Government  
11 Code; and

12 (3) the powers given to a corporation under Section  
13 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
14 Texas Civil Statutes), and the power to own, operate, acquire,  
15 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
16 Sec. 376.221 (part).)

17 Sec. 3806.102. RELATION TO OTHER LAW. This chapter  
18 prevails over any law to which Section 3806.101 refers that  
19 conflicts with or is inconsistent with this chapter. (Loc. Gov.  
20 Code, Sec. 376.224 (part).)

21 Sec. 3806.103. NONPROFIT CORPORATION. (a) The board by  
22 resolution may authorize the creation of a nonprofit corporation to  
23 assist and act for the district in implementing a project or  
24 providing a service authorized by this chapter.

25 (b) The nonprofit corporation:

26 (1) has each power of and is considered for purposes of  
27 this chapter to be a local government corporation created under



Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as, for the same term as, and on the conditions of the board of directors of a local government corporation created under Chapter 431, Transportation Code. (Loc. Gov. Code, Sec. 376.226.)

Sec. 3806.104. CONTRACTS; GRANTS. (a) To protect the public interest, the district may contract with Harris County or the City of Houston for the county or the city to provide law enforcement services in the district for a fee.

(b) Harris County, the City of Houston, or another political subdivision of this state, without further authorization, may contract with the district to implement a project of the district or assist the district in providing a service authorized under this chapter. A contract under this subsection may:

- (1) be for a period on which the parties agree;
- (2) include terms on which the parties agree;
- (3) be payable from taxes or any other source of revenue that may be available for that project or service; and
- (4) provide terms under which taxes or other revenue collected at a district project or from a person using or purchasing a commodity or service at a district project may be paid or rebated to the district.

(c) The district may enter into a contract, lease, or other

1 agreement with or make or accept a grant or loan to or from any  
2 person, including:

- 3 (1) the United States;
- 4 (2) this state or a state agency;
- 5 (3) any political subdivision of this state; and
- 6 (4) a public or private corporation, including a  
7 nonprofit corporation created under this subchapter.

8 (d) The district may perform all acts necessary for the full  
9 exercise of the powers vested in the district on terms and for the  
10 period the board determines advisable. (Loc. Gov. Code, Sec.  
11 376.235.)

12 [Sections 3806.105-3806.150 reserved for expansion]

13 SUBCHAPTER D. FINANCIAL PROVISIONS

14 Sec. 3806.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
15 IMPROVEMENTS. (a) The board may not finance a service or an  
16 improvement project under this chapter unless a written petition  
17 requesting that service or improvement is filed with the board.

18 (b) The petition must be signed by:

19 (1) the owners of a majority of the assessed value of  
20 real property in the district according to the most recent  
21 certified tax appraisal roll for Harris County; or

22 (2) at least 50 owners of land in the district, if more  
23 than 50 persons own property in the district according to the most  
24 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
25 Code, Sec. 376.225.)

26 Sec. 3806.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
27 board by resolution shall establish the number of directors'

1 signatures and the procedure required for a disbursement or  
2 transfer of the district's money. (Loc. Gov. Code, Sec. 376.227.)

3 Sec. 3806.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
4 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
5 or impact fee requires a vote of a majority of the directors  
6 serving. (Loc. Gov. Code, Sec. 376.219(b) (part).)

7 Sec. 3806.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
8 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
9 tax, assessment, or impact fee as provided by Chapter 375, Local  
10 Government Code, to provide an improvement or service for a project  
11 or activity the district may acquire, construct, improve, or  
12 provide under this chapter. (Loc. Gov. Code, Sec. 376.221 (part).)

13 Sec. 3806.155. MAINTENANCE TAX. (a) If authorized at an  
14 election held in accordance with Section 3806.159, the district may  
15 impose an annual ad valorem tax on taxable property in the district  
16 to:

17 (1) maintain and operate the district and the  
18 improvements constructed or acquired by the district; or

19 (2) provide a service.

20 (b) The board shall determine the tax rate. (Loc. Gov.  
21 Code, Sec. 376.233.)

22 Sec. 3806.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
23 The board by resolution may impose and collect an assessment for any  
24 purpose authorized by this chapter.

25 (b) An assessment, a reassessment, or an assessment  
26 resulting from an addition to or correction of the assessment roll  
27 by the district, penalties and interest on an assessment or

1 reassessment, an expense of collection, and reasonable attorney's  
2 fees incurred by the district:

3 (1) are a first and prior lien against the property  
4 assessed;

5 (2) are superior to any other lien or claim other than  
6 a lien or claim for county, school district, or municipal ad valorem  
7 taxes; and

8 (3) are the personal liability of and a charge against  
9 the owners of the property even if the owners are not named in the  
10 assessment proceeding.

11 (c) The lien is effective from the date of the board's  
12 resolution imposing the assessment until the date the assessment is  
13 paid. The board may enforce the lien in the same manner that the  
14 board may enforce an ad valorem tax lien against real property.

15 (d) The board may correct, add to, or delete assessments  
16 from its assessment rolls after notice and hearing as provided by  
17 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
18 Secs. 376.221 (part), 376.229.)

19 Sec. 3806.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
20 ASSESSMENTS. (a) The district may not impose a tax, impact fee,  
21 or assessment on a residential property, multiunit residential  
22 property, or condominium.

23 (b) The district may not impose an impact fee or assessment  
24 on the property, equipment, or facilities of an electric utility as  
25 defined by Section 31.002, Utilities Code. (Loc. Gov. Code, Sec.  
26 376.230.)

27 Sec. 3806.158. OBLIGATIONS; APPROVAL BY CITY OF

1 HOUSTON. (a) The district may issue bonds or other obligations  
2 payable in whole or in part from ad valorem taxes, assessments,  
3 impact fees, revenue, grants, or other money of the district, or any  
4 combination of those sources of money, to pay for any authorized  
5 purpose of the district.

6 (b) In exercising the district's borrowing power, the  
7 district may issue a bond or other obligation in the form of a bond,  
8 note, certificate of participation or other instrument evidencing a  
9 proportionate interest in payments to be made by the district, or  
10 other type of obligation.

11 (c) Except as provided by Subsection (d), the district must  
12 obtain the approval of the City of Houston:

13 (1) for the issuance of a bond for each improvement  
14 project;

15 (2) of the plans and specifications of the improvement  
16 project to be financed by the bond; and

17 (3) of the plans and specifications of a district  
18 improvement project related to the use of:

19 (A) land owned by a municipality;

20 (B) an easement granted by a municipality; or

21 (C) a right-of-way of a street, road, or highway.

22 (d) If the district obtains the approval of the City of  
23 Houston of a capital improvements budget for a specified period not  
24 to exceed five years, the district may finance the capital  
25 improvements and issue bonds specified in the budget without  
26 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
27 376.228(a), (b) (part), (c), (d).)

1           Sec. 3806.159. ELECTIONS           REGARDING           TAXES           OR  
2 BONDS. (a) In addition to the elections required under  
3 Subchapter L, Chapter 375, Local Government Code, the district must  
4 hold an election in the manner provided by that subchapter to obtain  
5 voter approval before the district may:

6                   (1) impose a maintenance tax; or  
7                   (2) issue a bond payable from ad valorem taxes or  
8 assessments.

9           (b) The board may submit multiple purposes in a single  
10 proposition at an election. (Loc. Gov. Code, Sec. 376.231.)

11           [Sections 3806.160-3806.200 reserved for expansion]

12                           SUBCHAPTER E. DISSOLUTION

13           Sec. 3806.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
14 DEBT. If the district has debt when it is dissolved, the district  
15 shall remain in existence solely for the purpose of discharging its  
16 bonds or other obligations according to their terms. (Loc. Gov.  
17 Code, Sec. 376.234 (part).)

18                           CHAPTER 3807. GREATER EAST END MANAGEMENT DISTRICT

19                                   SUBCHAPTER A. GENERAL PROVISIONS

20           Sec. 3807.001. DEFINITIONS

21           Sec. 3807.002. GREATER EAST END MANAGEMENT DISTRICT

22           Sec. 3807.003. PURPOSE; DECLARATION OF INTENT

23           Sec. 3807.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

24           Sec. 3807.005. DISTRICT TERRITORY

25           Sec. 3807.006. APPLICABILITY OF OTHER LAW

26           Sec. 3807.007. RELATION TO OTHER LAW

27           Sec. 3807.008. LIBERAL CONSTRUCTION OF CHAPTER

[Sections 3807.009-3807.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3807.051. BOARD OF DIRECTORS; TERMS

Sec. 3807.052. APPOINTMENT OF DIRECTORS

[Sections 3807.053-3807.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3807.101. POWERS

Sec. 3807.102. NONPROFIT CORPORATION

Sec. 3807.103. CONTRACTS; GRANTS

Sec. 3807.104. PLANS FOR WORKFORCE DEVELOPMENT SERVICES

[Sections 3807.105-3807.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3807.151. PETITION REQUIRED FOR FINANCING SERVICE  
OR IMPROVEMENT

Sec. 3807.152. DISBURSEMENTS AND TRANSFERS OF MONEY

Sec. 3807.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
ASSESSMENTS, OR IMPACT FEES

Sec. 3807.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
ASSESSMENTS, AND IMPACT FEES

Sec. 3807.155. MAINTENANCE TAX

Sec. 3807.156. ASSESSMENTS; LIENS FOR ASSESSMENTS

Sec. 3807.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES,  
AND ASSESSMENTS

Sec. 3807.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

Sec. 3807.159. ELECTIONS REGARDING TAXES OR BONDS

[Sections 3807.160-3807.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

1 Sec. 3807.201. DISSOLUTION OF DISTRICT WITH

2 OUTSTANDING DEBT

3 CHAPTER 3807. GREATER EAST END MANAGEMENT DISTRICT

4 SUBCHAPTER A. GENERAL PROVISIONS

5 Sec. 3807.001. DEFINITIONS. In this chapter:

6 (1) "Board" means the board of directors of the  
7 district.

8 (2) "District" means the Greater East End Management  
9 District. (Loc. Gov. Code, Secs. 376.263(1), (3).)

10 Sec. 3807.002. GREATER EAST END MANAGEMENT DISTRICT. A  
11 special district in Harris County known as the "Greater East End  
12 Management District" is a governmental agency and political  
13 subdivision of this state. (Loc. Gov. Code, Sec. 376.261(a).)

14 Sec. 3807.003. PURPOSE; DECLARATION OF INTENT. (a) The  
15 creation of the district is essential to accomplish the purposes of  
16 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
17 Texas Constitution, and other public purposes stated in this  
18 chapter. By creating the district and in authorizing Harris  
19 County, the City of Houston, and other political subdivisions to  
20 contract with the district, the legislature has established a  
21 program to accomplish the public purposes set out in Section 52-a,  
22 Article III, Texas Constitution.

23 (b) The creation of the district is necessary to promote,  
24 develop, encourage, and maintain employment, commerce,  
25 transportation, housing, tourism, recreation, the arts,  
26 entertainment, economic development, safety, and the public  
27 welfare in the Greater East End area of the city of Houston.



1           (c) This chapter and the creation of the district may not be  
2 interpreted to relieve Harris County or the City of Houston from  
3 providing the level of services provided as of May 10, 1999, to the  
4 area in the district or to release the county or the city from the  
5 obligations of each entity to provide services to that area. The  
6 district is created to supplement and not to supplant the county or  
7 city services provided in the area in the district. (Loc. Gov.  
8 Code, Secs. 376.261(c), 376.262.)

9           Sec. 3807.004. FINDINGS OF BENEFIT AND PUBLIC  
10 PURPOSE. (a) The district is created to serve a public use and  
11 benefit.

12           (b) All land and other property included in the district  
13 will benefit from the improvements and services to be provided by  
14 the district under powers conferred by Sections 52 and 52-a,  
15 Article III, and Section 59, Article XVI, Texas Constitution, and  
16 other powers granted under this chapter.

17           (c) The creation of the district is in the public interest  
18 and is essential to:

19                   (1) further the public purposes of developing and  
20 diversifying the economy of the state;

21                   (2) eliminate unemployment and underemployment; and

22                   (3) develop or expand transportation and commerce.

23           (d) The district will:

24                   (1) promote the health, safety, and general welfare of  
25 residents, employers, employees, visitors, and consumers in the  
26 district, and of the public;

27                   (2) provide needed funding for the Greater East End

1 area of the city of Houston to preserve, maintain, and enhance the  
2 economic health and vitality of the area as a community and business  
3 center;

4 (3) promote the health, safety, welfare, and enjoyment  
5 of the public by providing pedestrian ways and by landscaping and  
6 developing certain areas in the district, which are necessary for  
7 the restoration, preservation, and enhancement of scenic and  
8 aesthetic beauty; and

9 (4) eliminate unemployment and underemployment and  
10 develop or expand transportation and commerce by providing or by  
11 participating with other entities and educational institutions in  
12 establishing, equipping, financing, and operating workforce  
13 development, workforce education, and job training opportunities.

14 (e) Pedestrian ways along or across a street, whether at  
15 grade or above or below the surface, and street lighting, street  
16 landscaping, and street art objects are parts of and necessary  
17 components of a street and are considered to be a street or road  
18 improvement.

19 (f) The district will not act as the agent or  
20 instrumentality of any private interest even though the district  
21 will benefit many private interests as well as the public. (Loc.  
22 Gov. Code, Sec. 376.266.)

23 Sec. 3807.005. DISTRICT TERRITORY. (a) The district is  
24 composed of the territory described by Section 1, Chapter 47, Acts  
25 of the 76th Legislature, Regular Session, 1999, enacting former  
26 Section 376.264, Local Government Code, as that territory may have  
27 been modified under:

1           (1) Subchapter J, Chapter 49, Water Code; or

2           (2) other law.

3           (b) The boundaries and field notes of the district contained  
4 in Section 1, Chapter 47, Acts of the 76th Legislature, Regular  
5 Session, 1999, enacting former Section 376.264, Local Government  
6 Code, form a closure. A mistake in the field notes or in copying the  
7 field notes in the legislative process does not in any way affect:

8           (1) the district's organization, existence, and  
9 validity;

10           (2) the district's right to issue any type of bond,  
11 including a refunding bond, for a purpose for which the district is  
12 created or to pay the principal of and interest on the bond;

13           (3) the district's right to impose and collect an  
14 assessment or tax; or

15           (4) the legality or operation of the district or the  
16 board. (Loc. Gov. Code, Sec. 376.265; New.)

17           Sec. 3807.006. APPLICABILITY OF OTHER LAW. Except as  
18 otherwise provided by this chapter, Chapter 375, Local Government  
19 Code, applies to the district. (Loc. Gov. Code, Secs. 376.267,  
20 376.271 (part).)

21           Sec. 3807.007. RELATION TO OTHER LAW. This chapter  
22 prevails over any provision of general law, including a law to which  
23 this chapter refers, that is in conflict with or is inconsistent  
24 with this chapter. (Loc. Gov. Code, Sec. 376.274 (part).)

25           Sec. 3807.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
26 chapter shall be liberally construed in conformity with the  
27 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.

376.268.)

[Sections 3807.009-3807.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3807.051. BOARD OF DIRECTORS; TERMS. (a) The district is governed by a board of 15 directors who serve staggered terms of four years, with seven directors' terms expiring June 1 of an odd-numbered year and eight directors' terms expiring June 1 of the following odd-numbered year.

(b) The board by resolution may increase or decrease the number of directors on the board, but only if it is in the best interest of the district to do so. The board may not:

(1) increase the number of directors to more than 30;

or

(2) decrease the number of directors to fewer than nine. (Loc. Gov. Code, Sec. 376.269(a).)

Sec. 3807.052. APPOINTMENT OF DIRECTORS. The mayor and members of the governing body of the City of Houston shall appoint directors from persons recommended by the board who meet the qualifications prescribed by Subchapter D, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec. 376.270 (part).)

[Sections 3807.053-3807.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3807.101. POWERS. The district has:

(1) all powers necessary to accomplish the purposes for which the district was created; and

(2) the powers given to a corporation under Section 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's

1 Texas Civil Statutes), and the power to own, operate, acquire,  
2 construct, lease, improve, and maintain projects. (Loc. Gov. Code,  
3 Sec. 376.271 (part).)

4 Sec. 3807.102. NONPROFIT CORPORATION. (a) The board by  
5 resolution may authorize the creation of a nonprofit corporation to  
6 assist and act for the district in implementing a project or  
7 providing a service authorized by this chapter.

8 (b) The nonprofit corporation:

9 (1) has each power of and is considered for purposes of  
10 this chapter to be a local government corporation created under  
11 Chapter 431, Transportation Code; and

12 (2) may implement any project and provide any service  
13 authorized by this chapter.

14 (c) The board shall appoint the board of directors of the  
15 nonprofit corporation. The board of directors of the nonprofit  
16 corporation shall serve in the same manner as, for the same term as,  
17 and on the same conditions as the board of directors of a local  
18 government corporation created under Chapter 431, Transportation  
19 Code. (Loc. Gov. Code, Sec. 376.276.)

20 Sec. 3807.103. CONTRACTS; GRANTS. (a) To protect the  
21 public interest, the district may contract with Harris County or  
22 the City of Houston for the county or the city to provide law  
23 enforcement services in the district for a fee.

24 (b) Harris County, the City of Houston, or another political  
25 subdivision of this state, without further authorization, may  
26 contract with the district to implement a project of the district or  
27 assist the district in providing a service authorized by this

chapter. A contract under this subsection may:

- (1) be for a period on which the parties agree;
- (2) include terms on which the parties agree;
- (3) be payable from taxes or any other source of revenue that may be available for that project or service; or
- (4) provide terms under which taxes or other revenue collected at a district project or from a person using or purchasing a commodity or service at a district project may be paid or rebated to the district.

(c) The district may enter into a contract, lease, or other agreement with or make or accept a grant or loan to or from any person, including:

- (1) the United States;
- (2) this state or a state agency;
- (3) any political subdivision of this state; and
- (4) a public or private corporation, including a nonprofit corporation created by the board under this subchapter.

(d) The district may perform all acts necessary for the full exercise of the powers vested in the district on terms and for the period the board determines advisable. (Loc. Gov. Code, Sec. 376.286.)

Sec. 3807.104. PLANS FOR WORKFORCE DEVELOPMENT SERVICES. (a) The district shall develop and implement one or more plans for workforce development services. The services may include:

- (1) job training;
- (2) workforce education;

1           (3)   financing of special educational opportunities;  
2           (4)   student summer work programs; or  
3           (5)   other    projects    that    promote    workforce  
4 development.

5           (b) To assist in implementing a plan for workforce  
6 development services, the district may:

7           (1)   accept a donation, grant, or loan from any person;  
8           (2)   work with a school at any level;  
9           (3)   work with any person that provides workforce  
10 development money or projects; or  
11           (4)   participate with any other entity. (Loc. Gov.  
12 Code, Secs. 376.284(a), (c), (d).)

13           [Sections 3807.105-3807.150 reserved for expansion]

14           SUBCHAPTER D. FINANCIAL PROVISIONS

15           Sec. 3807.151. PETITION REQUIRED FOR FINANCING SERVICE OR  
16 IMPROVEMENT. (a) The board may not finance a service or an  
17 improvement project under this chapter unless a written petition  
18 requesting that service or improvement is filed with the board.

19           (b) The petition must be signed by:

20           (1)   the owners of a majority of the assessed value of  
21 real property in the district according to the most recent  
22 certified tax appraisal roll for Harris County; or

23           (2)   at least 50 owners of land in the district, if more  
24 than 50 persons own property in the district according to the most  
25 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
26 Code, Sec. 376.275.)

27           Sec. 3807.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The

1 board by resolution shall establish the number of directors'  
2 signatures and the procedure required for a disbursement or  
3 transfer of the district's money. (Loc. Gov. Code, Sec. 376.277.)

4 Sec. 3807.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
5 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
6 or impact fee requires a vote of a majority of the directors  
7 serving. (Loc. Gov. Code, Sec. 376.269(b) (part).)

8 Sec. 3807.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
9 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
10 tax, assessment, or impact fee as provided by Chapter 375, Local  
11 Government Code, to provide an improvement or a service for a  
12 project or activity the district may acquire, construct, improve,  
13 or provide under this chapter. (Loc. Gov. Code, Sec. 376.271  
14 (part).)

15 Sec. 3807.155. MAINTENANCE TAX. (a) If authorized at an  
16 election held in accordance with Section 3807.159, the district may  
17 impose an annual ad valorem tax on taxable property in the district  
18 to:

19 (1) maintain and operate the district and the  
20 improvements constructed or acquired by the district; or

21 (2) provide a service.

22 (b) The board shall determine the tax rate. (Loc. Gov.  
23 Code, Sec. 376.283.)

24 Sec. 3807.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
25 The board by resolution may impose and collect an assessment for any  
26 purpose authorized by this chapter.

27 (b) An assessment, a reassessment, or an assessment



1 resulting from an addition to or correction of the assessment roll  
2 by the district, penalties and interest on an assessment or  
3 reassessment, an expense of collection, and reasonable attorney's  
4 fees incurred by the district:

5 (1) are a first and prior lien against the property  
6 assessed;

7 (2) are superior to any other lien or claim other than  
8 a lien or claim for county, school district, or municipal ad valorem  
9 taxes; and

10 (3) are the personal liability of and a charge against  
11 the owners of the property even if the owners are not named in the  
12 assessment proceeding.

13 (c) The lien is effective from the date of the board's  
14 resolution imposing the assessment until the date the assessment is  
15 paid. The board may enforce the lien in the same manner that the  
16 board may enforce an ad valorem tax lien against real property.

17 (d) The board may correct, add to, or delete assessments  
18 from its assessment rolls after notice and hearing as provided by  
19 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
20 Secs. 376.271 (part), 376.279.)

21 Sec. 3807.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
22 ASSESSMENTS. (a) The district may not impose a tax, impact fee,  
23 or assessment on a residential property, multiunit residential  
24 property, or condominium.

25 (b) The district may not impose an impact fee or assessment  
26 on the property, equipment, or facilities of a person that provides  
27 to the public cable television, gas, light, power, telephone,

1 sewage, or water service. (Loc. Gov. Code, Secs. 376.263(5),  
2 376.280.)

3 Sec. 3807.158. OBLIGATIONS; APPROVAL BY CITY OF  
4 HOUSTON. (a) The district may issue bonds or other obligations  
5 payable in whole or in part from ad valorem taxes, assessments,  
6 impact fees, revenue, grants, or other money of the district, or any  
7 combination of those sources of money, to pay for any authorized  
8 purpose of the district.

9 (b) In exercising the district's borrowing power, the  
10 district may issue a bond or other obligation in the form of a bond,  
11 note, certificate of participation or other instrument evidencing a  
12 proportionate interest in payments to be made by the district, or  
13 other type of obligation.

14 (c) Except as provided by Subsection (d), the district must  
15 obtain the approval of the City of Houston:

16 (1) for the issuance of a bond for each improvement  
17 project;

18 (2) of the plans and specifications of the improvement  
19 project to be financed by the bond; and

20 (3) of the plans and specifications of a district  
21 improvement project related to:

22 (A) the use of land owned by the City of Houston;

23 (B) an easement granted by the City of Houston;

24 or

25 (C) a right-of-way of a street, road, or highway.

26 (d) If the district obtains the approval of the City of  
27 Houston of a capital improvements budget for a specified period not

1 to exceed five years, the district may finance the capital  
2 improvements and issue bonds specified in the budget without  
3 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
4 376.278(a), (b) (part), (c), (d).)

5 Sec. 3807.159. ELECTIONS REGARDING TAXES OR  
6 BONDS. (a) In addition to the elections required under  
7 Subchapter L, Chapter 375, Local Government Code, the district must  
8 hold an election in the manner provided by that subchapter to obtain  
9 voter approval before the district may:

10 (1) impose a maintenance tax; or

11 (2) issue a bond payable from ad valorem taxes or  
12 assessments.

13 (b) The board may submit multiple purposes in a single  
14 proposition at an election. (Loc. Gov. Code, Sec. 376.281.)

15 [Sections 3807.160-3807.200 reserved for expansion]

16 SUBCHAPTER E. DISSOLUTION

17 Sec. 3807.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
18 DEBT. If the district has debt when it is dissolved, the district  
19 shall remain in existence solely for the purpose of discharging its  
20 bonds or obligations according to their terms. (Loc. Gov. Code,  
21 Sec. 376.285 (part).)

22 CHAPTER 3808. EAST DOWNTOWN MANAGEMENT DISTRICT

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 3808.001. DEFINITIONS

25 Sec. 3808.002. EAST DOWNTOWN MANAGEMENT DISTRICT

26 Sec. 3808.003. PURPOSE; DECLARATION OF INTENT

27 Sec. 3808.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

- 1 Sec. 3808.005. DISTRICT TERRITORY
- 2 Sec. 3808.006. APPLICABILITY OF OTHER LAW
- 3 Sec. 3808.007. RELATION TO OTHER LAW
- 4 Sec. 3808.008. LIBERAL CONSTRUCTION OF CHAPTER
- 5 [Sections 3808.009-3808.050 reserved for expansion]
- 6 SUBCHAPTER B. BOARD OF DIRECTORS
- 7 Sec. 3808.051. BOARD OF DIRECTORS; TERMS
- 8 Sec. 3808.052. APPOINTMENT OF DIRECTORS
- 9 Sec. 3808.053. EX OFFICIO DIRECTORS
- 10 Sec. 3808.054. CONFLICTS OF INTEREST
- 11 [Sections 3808.055-3808.100 reserved for expansion]
- 12 SUBCHAPTER C. POWERS AND DUTIES
- 13 Sec. 3808.101. DISTRICT POWERS
- 14 Sec. 3808.102. NONPROFIT CORPORATION
- 15 Sec. 3808.103. CONTRACTS; GRANTS; DONATIONS
- 16 Sec. 3808.104. COMPETITIVE BIDDING
- 17 Sec. 3808.105. ANNEXATION
- 18 [Sections 3808.106-3808.150 reserved for expansion]
- 19 SUBCHAPTER D. FINANCIAL PROVISIONS
- 20 Sec. 3808.151. PETITION REQUIRED FOR FINANCING SERVICES AND
- 21 IMPROVEMENTS
- 22 Sec. 3808.152. DISBURSEMENTS AND TRANSFERS OF MONEY
- 23 Sec. 3808.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,
- 24 ASSESSMENTS, OR IMPACT FEES
- 25 Sec. 3808.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,
- 26 ASSESSMENTS, OR IMPACT FEES
- 27 Sec. 3808.155. MAINTENANCE TAX

1 Sec. 3808.156. ASSESSMENTS; LIEN FOR ASSESSMENTS

2 Sec. 3808.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
3 ASSESSMENTS

4 Sec. 3808.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

5 Sec. 3808.159. ELECTIONS REGARDING TAXES OR BONDS

6 [Sections 3808.160-3808.200 reserved for expansion]

7 SUBCHAPTER E. DISSOLUTION

8 Sec. 3808.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
9 DEBT

10 CHAPTER 3808. EAST DOWNTOWN MANAGEMENT DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 3808.001. DEFINITIONS. In this chapter:

13 (1) "Board" means the board of directors of the  
14 district.

15 (2) "District" means the East Downtown Management  
16 District. (Loc. Gov. Code, Secs. 376.303(1), (3).)

17 Sec. 3808.002. EAST DOWNTOWN MANAGEMENT DISTRICT. A  
18 special district known as the "East Downtown Management District"  
19 is a governmental agency and political subdivision of this state.  
20 (Loc. Gov. Code, Sec. 376.301(a).)

21 Sec. 3803.003. PURPOSE; DECLARATION OF INTENT. (a) The  
22 creation of the district is essential to accomplish the purposes of  
23 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
24 Texas Constitution, and other public purposes stated in this  
25 chapter. By creating the district and in authorizing Harris  
26 County, the City of Houston, and other political subdivisions to  
27 contract with the district, the legislature has established a

1 program to accomplish the public purposes set out in Section 52-a,  
2 Article III, Texas Constitution.

3 (b) The creation of the district is necessary to promote,  
4 develop, encourage, and maintain employment, commerce,  
5 transportation, housing, tourism, recreation, the arts,  
6 entertainment, economic development, safety, and the public  
7 welfare in the east downtown area of the city of Houston.

8 (c) This chapter and the creation of the district may not be  
9 interpreted to relieve Harris County or the City of Houston from  
10 providing the level of services provided as of June 19, 1999, to the  
11 area in the district or to release the county or the city from the  
12 obligations of each entity to provide services to that area. The  
13 district is created to supplement and not to supplant the county or  
14 city services provided in the area in the district. (Loc. Gov.  
15 Code, Secs. 376.301(c), 376.302.)

16 Sec. 3808.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
17 The district is created to serve a public use and benefit.

18 (b) All land and other property included in the district  
19 will benefit from the improvements and services to be provided by  
20 the district under powers conferred by Sections 52 and 52-a,  
21 Article III, and Section 59, Article XVI, Texas Constitution, and  
22 other powers granted under this chapter.

23 (c) The creation of the district is in the public interest  
24 and is essential to:

25 (1) further the public purposes of developing and  
26 diversifying the economy of the state;

27 (2) eliminate unemployment and underemployment; and

1           (3) develop or expand transportation and commerce.

2           (d) The district will:

3               (1) promote the health, safety, and general welfare of  
4 residents, employers, employees, visitors, and consumers in the  
5 district, and of the public;

6               (2) provide needed funding for the east downtown area  
7 of the city of Houston to preserve, maintain, and enhance the  
8 economic health and vitality of the area as a community and business  
9 center; and

10              (3) promote the health, safety, welfare, and enjoyment  
11 of the public by providing pedestrian ways and by landscaping and  
12 developing certain areas in the district, which are necessary for  
13 the restoration, preservation, and enhancement of scenic and  
14 aesthetic beauty.

15           (e) Pedestrian ways along or across a street, whether at  
16 grade or above or below the surface, and street lighting, street  
17 landscaping, and street art objects are parts of and necessary  
18 components of a street and are considered to be a street or road  
19 improvement.

20           (f) The district will not act as the agent or  
21 instrumentality of any private interest even though the district  
22 will benefit many private interests as well as the public. (Loc.  
23 Gov. Code, Sec. 376.306.)

24           Sec. 3808.005. DISTRICT TERRITORY. (a) The district is  
25 composed of the territory described by Section 1, Chapter 1493,  
26 Acts of the 76th Legislature, Regular Session, 1999, enacting  
27 former Section 376.304, Local Government Code, as that territory

1 may have been modified under:

2 (1) Section 3808.105 or its predecessor statute,  
3 former Section 376.327, Local Government Code;

4 (2) Subchapter J, Chapter 49, Water Code; or

5 (3) other law.

6 (b) The boundaries and field notes of the district contained  
7 in Section 1, Chapter 1493, Acts of the 76th Legislature, Regular  
8 Session, 1999, enacting former Section 376.304, Local Government  
9 Code, form a closure. A mistake in the field notes or in copying the  
10 field notes in the legislative process does not in any way affect:

11 (1) the district's organization, existence, and  
12 validity;

13 (2) the district's right to issue any type of bond,  
14 including a refunding bond, for a purpose for which the district is  
15 created or to pay the principal of and interest on the bond;

16 (3) the district's right to impose and collect an  
17 assessment or tax; or

18 (4) the legality or operation of the district or the  
19 board. (Loc. Gov. Code, Sec. 376.305; New.)

20 Sec. 3808.006. APPLICABILITY OF OTHER LAW. Except as  
21 otherwise provided by this chapter, Chapter 375, Local Government  
22 Code, applies to the district, the board, and district employees.  
23 (Loc. Gov. Code, Secs. 376.307, 376.311 (part).)

24 Sec. 3808.007. RELATION TO OTHER LAW. This chapter  
25 prevails over any provision of general law, including a law to which  
26 this chapter refers that is in conflict with or is inconsistent with  
27 this chapter. (Loc. Gov. Code, Sec. 376.314 (part).)



1           Sec. 3808.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
2 chapter shall be liberally construed in conformity with the  
3 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
4 376.308.)

5           [Sections 3808.009-3808.050 reserved for expansion]

6                       SUBCHAPTER B. BOARD OF DIRECTORS

7           Sec. 3808.051. BOARD OF DIRECTORS; TERMS. (a) The  
8 district is governed by a board of 17 directors who serve staggered  
9 terms of four years, with nine directors' terms expiring June 1 of  
10 an odd-numbered year and eight directors' terms expiring June 1 of  
11 the following odd-numbered year.

12           (b) The board by resolution may increase or decrease the  
13 number of directors on the board, but only if it is in the best  
14 interest of the district to do so. The board may not:

15                       (1) increase the number of directors to more than 30;

16 or

17                       (2) decrease the number of directors to fewer than  
18 nine. (Loc. Gov. Code, Sec. 376.309(a).)

19           Sec. 3808.052. APPOINTMENT OF DIRECTORS. The mayor and  
20 members of the governing body of the City of Houston shall appoint  
21 directors from persons recommended by the board who meet the  
22 qualifications prescribed by Subchapter D, Chapter 375, Local  
23 Government Code. (Loc. Gov. Code, Sec. 376.310 (part).)

24           Sec. 3808.053. EX OFFICIO DIRECTORS. (a) The following  
25 persons serve as nonvoting ex officio directors:

26                       (1) the directors of the parks and recreation,  
27 planning and development, public works, and civic center

1 departments of the City of Houston;

2 (2) the chief of police of the City of Houston;

3 (3) the general manager of the Metropolitan Transit  
4 Authority of Harris County, Texas; and

5 (4) the president of each institution of higher  
6 learning located in the district.

7 (b) If a department described by Subsection (a) is  
8 consolidated, renamed, or changed, the board may appoint a director  
9 of the consolidated, renamed, or changed department as a nonvoting  
10 ex officio director. If a department described by Subsection (a) is  
11 abolished, the board may appoint a representative of another  
12 department of the City of Houston that performs duties comparable  
13 to those performed by the abolished department.

14 (c) The board may appoint the presiding officer of a  
15 nonprofit corporation that is actively involved in activities in  
16 the east downtown area of the city of Houston to serve as a  
17 nonvoting ex officio director. (Loc. Gov. Code, Sec. 376.3125.)

18 Sec. 3808.054. CONFLICTS OF INTEREST. (a) Except as  
19 provided by this section:

20 (1) a director may participate in all board votes and  
21 decisions; and

22 (2) Chapter 171, Local Government Code, governs  
23 conflicts of interest of directors.

24 (b) Section 171.004, Local Government Code, does not apply  
25 to the district. A director who has a substantial interest in a  
26 business or charitable entity that will receive a pecuniary benefit  
27 from a board action shall file an affidavit with the board secretary

1 declaring the interest. Another affidavit is not required if the  
2 director's interest changes.

3 (c) After the affidavit is filed, the director may  
4 participate in a discussion or vote on that action if:

5 (1) a majority of the directors have a similar  
6 interest in the same entity; or

7 (2) all other similar business or charitable entities  
8 in the district will receive a similar pecuniary benefit.

9 (d) A director who is also an officer or employee of a public  
10 entity may not participate in a discussion of or vote on a matter  
11 regarding a contract with that same public entity.

12 (e) For purposes of this section, a director has a  
13 substantial interest in a charitable entity in the same manner that  
14 a person would have a substantial interest in a business entity  
15 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
16 Sec. 376.3128.)

17 [Sections 3808.055-3808.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 3808.101. DISTRICT POWERS. The district has:

20 (1) all powers necessary to accomplish the purposes  
21 for which the district was created;

22 (2) the powers given to a corporation under Section  
23 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
24 Texas Civil Statutes), and the power to own, operate, acquire,  
25 construct, lease, improve, and maintain projects; and

26 (3) the powers given to a housing finance corporation  
27 created under Chapter 394, Local Government Code, to provide

1 housing or residential development projects in the district. (Loc.  
2 Gov. Code, Sec. 376.311 (part).)

3 Sec. 3808.102. NONPROFIT CORPORATION. (a) The board by  
4 resolution may authorize the creation of a nonprofit corporation to  
5 assist and act for the district in implementing a project or  
6 providing a service authorized by this chapter.

7 (b) The nonprofit corporation:

8 (1) has each power of and is considered for purposes of  
9 this chapter to be a local government corporation created under  
10 Chapter 431, Transportation Code; and

11 (2) may implement any project and provide any service  
12 authorized by this chapter.

13 (c) The board shall appoint the board of directors of the  
14 nonprofit corporation. The board of directors of the nonprofit  
15 corporation shall serve in the same manner as, for the same term as,  
16 and on the conditions of the board of directors of a local  
17 government corporation created under Chapter 431, Transportation  
18 Code. (Loc. Gov. Code, Sec. 376.316.)

19 Sec. 3808.103. CONTRACTS; GRANTS; DONATIONS. (a) To  
20 protect the public interest, the district may contract with Harris  
21 County or the City of Houston for the county or the city to provide  
22 law enforcement services in the district for a fee.

23 (b) Harris County, the City of Houston, or another political  
24 subdivision of this state, without further authorization, may  
25 contract with the district to implement a project of the district or  
26 assist the district in providing a service authorized under this  
27 chapter. A contract under this subsection may:

- 1           (1) be for a period on which the parties agree;
- 2           (2) include terms on which the parties agree;
- 3           (3) be payable from taxes or any other source of
- 4 revenue that may be available for that project or service; or
- 5           (4) provide terms under which taxes or other revenue
- 6 collected at a district project or from a person using or purchasing
- 7 a commodity or service at a district project may be paid or rebated
- 8 to the district.

9           (c) The district may enter into a contract, lease, or other  
10 agreement with or make or accept a grant or loan to or from, or  
11 accept a donation from, any person, including:

- 12           (1) the United States;
- 13           (2) this state or a state agency;
- 14           (3) any political subdivision of this state; and
- 15           (4) a public or private corporation, including a
- 16 nonprofit corporation created by the board under this subchapter.

17           (d) The district may perform all acts necessary for the full  
18 exercise of the powers vested in the district on terms and for the  
19 period the board determines advisable.

20           (e) The implementation of a project is a governmental  
21 function or service for purposes of Chapter 791, Government Code.  
22 (Loc. Gov. Code, Secs. 376.325, 376.328.)

23           Sec. 3808.104. COMPETITIVE BIDDING. Section 375.221, Local  
24 Government Code, does not apply to a district contract for \$25,000  
25 or less. (Loc. Gov. Code, Sec. 376.326.)

26           Sec. 3808.105. ANNEXATION. In addition to the authority to  
27 annex territory under Subchapter C, Chapter 375, Local Government

Code, the district has the authority to annex territory located in a reinvestment zone created by the City of Houston under Chapter 311, Tax Code, if the city's governing body consents to the annexation. (Loc. Gov. Code, Sec. 376.327.)

[Sections 3808.106-3808.150 reserved for expansion]

#### SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3808.151. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS. (a) The board may not finance a service or an improvement project under this chapter unless a written petition requesting that service or improvement is filed with the board.

(b) The petition must be signed by:

(1) the owners of a majority of the assessed value of real property in the district according to the most recent certified tax appraisal roll for Harris County; or

(2) at least 50 owners of land in the district, if more than 50 persons own property in the district according to the most recent certified tax appraisal roll for Harris County. (Loc. Gov. Code, Sec. 376.315.)

Sec. 3808.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money. (Loc. Gov. Code, Sec. 376.317.)

Sec. 3808.153. BOARD VOTE REQUIRED TO IMPOSE TAXES, ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment, or impact fee requires a vote of a majority of the directors serving. (Loc. Gov. Code, Sec. 376.309(b) (part).)

Sec. 3808.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,

1 ASSESSMENTS, OR IMPACT FEES. The district may impose an ad valorem  
2 tax, assessment, or impact fee as provided by Chapter 375, Local  
3 Government Code, to provide an improvement or service for a project  
4 or activity the district may acquire, construct, improve, or  
5 provide under this chapter. (Loc. Gov. Code, Sec. 376.311 (part).)

6 Sec. 3808.155. MAINTENANCE TAX. (a) If authorized at an  
7 election held in accordance with Section 3808.159, the district may  
8 impose an annual ad valorem tax on taxable property in the district  
9 to:

10 (1) maintain and operate the district and the  
11 improvements constructed or acquired by the district; or

12 (2) provide a service.

13 (b) The board shall determine the tax rate. (Loc. Gov.  
14 Code, Sec. 376.323.)

15 Sec. 3808.156. ASSESSMENTS; LIEN FOR ASSESSMENTS. (a) The  
16 board by resolution may impose and collect an assessment for any  
17 purpose authorized by this chapter.

18 (b) An assessment, a reassessment, or an assessment  
19 resulting from an addition to or correction of the assessment roll  
20 by the district, penalties and interest on an assessment or  
21 reassessment, an expense of collection, and reasonable attorney's  
22 fees incurred by the district:

23 (1) are a first and prior lien against the property  
24 assessed;

25 (2) are superior to any other lien or claim other than  
26 a lien or claim for county, school district, or municipal ad valorem  
27 taxes; and

1           (3) are the personal liability of and charge against  
2 the owners of the property even if the owners are not named in the  
3 assessment proceeding.

4           (c) The lien is effective from the date of the board's  
5 resolution imposing the assessment until the date the assessment is  
6 paid. The board may enforce the lien in the same manner that the  
7 board may enforce an ad valorem tax lien against real property.

8           (d) The board may correct, add to, or delete assessments  
9 from its assessment rolls after notice and hearing as provided by  
10 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
11 Secs. 376.311 (part), 376.319.)

12           Sec. 3808.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
13 ASSESSMENTS. The district may not impose:

14           (1) a tax, impact fee, or assessment on a residential  
15 property or condominium; or

16           (2) an impact fee or assessment on the property,  
17 equipment, or facilities of a person that provides to the public  
18 cable television, gas, light, power, telephone, sewage, or water  
19 service. (Loc. Gov. Code, Secs. 376.303(5), 376.320.)

20           Sec. 3808.158. OBLIGATIONS; APPROVAL BY CITY OF  
21 HOUSTON. (a) The district may issue bonds or other obligations  
22 payable in whole or in part from ad valorem taxes, assessments,  
23 impact fees, revenue, grants, or other money of the district, or any  
24 combination of those sources of money, to pay for any authorized  
25 purpose of the district.

26           (b) In exercising the district's borrowing power, the  
27 district may issue a bond or other obligation in the form of a bond,



1 note, certificate of participation or other instrument evidencing a  
2 proportionate interest in payments to be made by the district, or  
3 other type of obligation.

4 (c) Except as provided by Subsection (d), the district must  
5 obtain the approval of the City of Houston:

6 (1) for the issuance of a bond for each improvement  
7 project;

8 (2) of the plans and specifications of the improvement  
9 project to be financed by the bond; and

10 (3) of the plans and specifications of a district  
11 improvement project related to:

12 (A) the use of land owned by the City of Houston;

13 (B) an easement granted by the City of Houston;

14 or

15 (C) a right-of-way of a street, road, or highway.

16 (d) If the district obtains the approval of the City of  
17 Houston of a capital improvements budget for a specified period not  
18 to exceed five years, the district may finance the capital  
19 improvements and issue bonds specified in the budget without  
20 further approval from the City of Houston. (Loc. Gov. Code, Secs.  
21 376.318(a), (b) (part), (c), (d).)

22 Sec. 3808.159. ELECTIONS REGARDING TAXES OR  
23 BONDS. (a) In addition to the elections required under  
24 Subchapter L, Chapter 375, Local Government Code, the district must  
25 hold an election in the manner provided by that subchapter to obtain  
26 voter approval before the district may:

27 (1) impose a maintenance tax; or

(2) issue a bond payable from ad valorem taxes or assessments.

(b) The board may submit multiple purposes in a single proposition at an election. (Loc. Gov. Code, Sec. 376.321.)

[Sections 3808.160-3808.200 reserved for expansion]

#### SUBCHAPTER E. DISSOLUTION

Sec. 3808.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBT. If the district has debt when it is dissolved, the district shall remain in existence solely for the purpose of discharging its other obligations according to their terms. (Loc. Gov. Code, Sec. 376.324 (part).)

### CHAPTER 3809. MIDTOWN MANAGEMENT DISTRICT

#### SUBCHAPTER A. GENERAL PROVISIONS

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Sec. 3809.002. MIDTOWN MANAGEMENT DISTRICT

Sec. 3809.003. PURPOSE; DECLARATION OF INTENT

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#### SUBCHAPTER B. BOARD OF DIRECTORS

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Sec. 3809.157. CERTAIN RESIDENTIAL PROPERTY NOT EXEMPT

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[Sections 3809.160-3809.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3809.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
DEBT

CHAPTER 3809. MIDTOWN MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3809.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "District" means the Midtown Management District. (Loc. Gov. Code, Secs. 376.353(1), (3).)

Sec. 3809.002. MIDTOWN MANAGEMENT DISTRICT. The Midtown Management District is a special district created under Section 59, Article XVI, Texas Constitution. (Loc. Gov. Code, Sec. 376.351(a).)

Sec. 3809.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing Harris County, the City of Houston, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the midtown area of the city of Houston.

(c) This chapter and the creation of the district may not be interpreted to relieve Harris County or the City of Houston from

1 providing the level of services provided as of August 30, 1999, to  
2 the area in the district or to release the county or the city from  
3 the obligations of each entity to provide services to that area.  
4 The district is created to supplement and not to supplant the county  
5 or city services provided in the area in the district. (Loc. Gov.  
6 Code, Secs. 376.351(c), 376.352.)

7       Sec. 3809.004. FINDINGS OF BENEFIT AND PUBLIC  
8 PURPOSE. (a) The district is created to serve a public use and  
9 benefit.

10       (b) All land and other property included in the district  
11 will benefit from the improvements and services to be provided by  
12 the district under powers conferred by Sections 52 and 52-a,  
13 Article III, and Section 59, Article XVI, Texas Constitution, and  
14 other powers granted under this chapter.

15       (c) The creation of the district is in the public interest  
16 and is essential to:

17               (1) further the public purposes of developing and  
18 diversifying the economy of the state;

19               (2) eliminate unemployment and underemployment; and

20               (3) develop or expand transportation and commerce.

21       (d) The district will:

22               (1) promote the health, safety, and general welfare of  
23 residents, employers, employees, visitors, and consumers in the  
24 district, and of the public;

25               (2) provide needed funding for the midtown area of the  
26 city of Houston to preserve, maintain, and enhance the economic  
27 health and vitality of the area as a community and business center;

1 and

2 (3) promote the health, safety, welfare, and enjoyment  
3 of the public by providing pedestrian ways and by landscaping and  
4 developing certain areas in the district, which are necessary for  
5 the restoration, preservation, and enhancement of scenic and  
6 aesthetic beauty.

7 (e) Pedestrian ways along or across a street, whether at  
8 grade or above or below the surface, and street lighting, street  
9 landscaping, and street art objects are parts of and necessary  
10 components of a street and are considered to be a street or road  
11 improvement.

12 (f) The district will not act as the agent or  
13 instrumentality of any private interest even though the district  
14 will benefit many private interests as well as the public. (Loc.  
15 Gov. Code, Sec. 376.356.)

16 Sec. 3809.005. DISTRICT TERRITORY. (a) The district is  
17 composed of the territory described by Section 1, Chapter 1017,  
18 Acts of the 76th Legislature, Regular Session, 1999, enacting  
19 former Section 376.304, Local Government Code, as that territory  
20 may have been modified under:

21 (1) Section 3809.107 or its predecessor statutes,  
22 former Section 376.316, Local Government Code, as added by Chapter  
23 1017, Acts of the 76th Legislature, Regular Session, 1999, and  
24 former Section 376.366, Local Government Code;

25 (2) Subchapter J, Chapter 49, Water Code; or

26 (3) other law.

27 (b) The boundaries and field notes of the district contained

1 in Section 1, Chapter 1017, Acts of the 76th Legislature, Regular  
2 Session, 1999, enacting former Section 376.304, Local Government  
3 Code, form a closure. A mistake in the field notes or in copying the  
4 field notes in the legislative process does not affect the  
5 district's:

- 6 (1) organization, existence, or validity;
- 7 (2) right to issue any type of bond for a purpose for  
8 which the district is created or to pay the principal of and  
9 interest on a bond;
- 10 (3) right to impose or collect an assessment; or
- 11 (4) legality or operation. (Loc. Gov. Code, Sec.  
12 376.355; New.)

13 Sec. 3809.006. APPLICABILITY OF OTHER LAW. Except as  
14 otherwise provided by this chapter, Chapter 375, Local Government  
15 Code, applies to the district, the board, and district employees.  
16 (Loc. Gov. Code, Sec. 376.357.)

17 Sec. 3809.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
18 chapter shall be liberally construed in conformity with the  
19 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
20 376.358.)

21 [Sections 3809.008-3809.050 reserved for expansion]

22 SUBCHAPTER B. BOARD OF DIRECTORS

23 Sec. 3809.051. BOARD OF DIRECTORS; TERMS. (a) The  
24 district is governed by a board of 17 directors who serve staggered  
25 terms of four years with eight directors' terms expiring June 1 of  
26 an odd-numbered year and nine directors' terms expiring June 1 of  
27 the following odd-numbered year.

1 (b) A director shall receive compensation as provided by  
2 Section 49.060, Water Code. (Loc. Gov. Code, Sec. 376.359.)

3 Sec. 3809.052. APPOINTMENT OF DIRECTORS; IMMUNITY. (a)  
4 The mayor and members of the governing body of the City of Houston  
5 shall appoint directors from persons recommended by the board. A  
6 person is appointed if a majority of the members and the mayor vote  
7 to appoint that person.

8 (b) A person may not be appointed to the board if the  
9 appointment of that person would result in fewer than two-thirds of  
10 the directors being residents of the city of Houston.

11 (c) District directors are public officials entitled to  
12 governmental immunity for their official actions. (Loc. Gov. Code,  
13 Sec. 376.360.)

14 Sec. 3809.053. EX OFFICIO DIRECTORS. (a) The following  
15 persons serve as nonvoting ex officio directors:

16 (1) the directors of the parks and recreation,  
17 planning and development, public works, and civic center  
18 departments of the City of Houston;

19 (2) the chief of police of the City of Houston;

20 (3) Harris County's general manager of the  
21 Metropolitan Transit Authority of Harris County, Texas; and

22 (4) the president of each institution of higher  
23 learning located in the district.

24 (b) If a department described by Subsection (a) is  
25 consolidated, renamed, or changed, the board may appoint a director  
26 of the consolidated, renamed, or changed department as a nonvoting  
27 ex officio director. If a department described by Subsection (a) is



1 abolished, the board may appoint a representative of another  
2 department of the City of Houston that performs duties comparable  
3 to those performed by the abolished department.

4 (c) The board may appoint the presiding officer of a  
5 nonprofit corporation that is actively involved in activities in  
6 the midtown area of the city of Houston to serve as a nonvoting ex  
7 officio director. (Loc. Gov. Code, Sec. 376.361.)

8 Sec. 3809.054. CONFLICTS OF INTEREST. (a) Except as  
9 provided by this section:

10 (1) a director may participate in all board votes and  
11 decisions; and

12 (2) Chapter 171, Local Government Code, governs  
13 conflicts of interest of board members.

14 (b) Section 171.004, Local Government Code, does not apply  
15 to the district. A director who has a substantial interest in a  
16 business or charitable entity that will receive a pecuniary benefit  
17 from a board action shall file an affidavit with the board secretary  
18 declaring the interest. Another affidavit is not required if the  
19 director's interest changes.

20 (c) After the affidavit is filed, the director may  
21 participate in a discussion or vote on that action if:

22 (1) a majority of the directors have a similar  
23 interest in the same entity; or

24 (2) all other similar business or charitable entities  
25 in the district will receive a similar pecuniary benefit.

26 (d) A director who is also an officer or employee of a public  
27 entity may not participate in a discussion of or vote on a matter

1 regarding a contract with that same public entity.

2 (e) For purposes of this section, a director has a  
3 substantial interest in a charitable entity in the same manner that  
4 a person would have a substantial interest in a business entity  
5 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
6 Sec. 376.362.)

7 [Sections 3809.055-3809.100 reserved for expansion]

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 3809.101. DISTRICT POWERS. The district may exercise  
10 the powers given to:

11 (1) a corporation created under Section 4B,  
12 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
13 Civil Statutes); and

14 (2) a housing finance corporation created under  
15 Chapter 394, Local Government Code, to provide housing or  
16 residential development projects in the district. (Loc. Gov. Code,  
17 Secs. 376.363(a), (b).)

18 Sec. 3809.102. NONPROFIT CORPORATION. (a) The board by  
19 resolution may authorize the creation of a nonprofit corporation to  
20 assist and act for the district in implementing a project or  
21 providing a service authorized by this chapter.

22 (b) The nonprofit corporation:

23 (1) has each power of and is considered for purposes of  
24 this chapter to be a local government corporation created under  
25 Chapter 431, Transportation Code; and

26 (2) may implement any project and provide any service  
27 authorized by this chapter.

1 (c) The board shall appoint the board of directors of the  
2 nonprofit corporation. The board of directors of the nonprofit  
3 corporation shall serve in the same manner as, for the same term as,  
4 and on the conditions of the board of directors of a local  
5 government corporation created under Chapter 431, Transportation  
6 Code. (Loc. Gov. Code, Sec. 376.365.)

7 Sec. 3809.103. AGREEMENTS, DONATIONS, GRANTS, AND  
8 LOANS. (a) The district may enter into an agreement with or  
9 accept a donation, grant, or loan from any person.

10 (b) The implementation of a project is a governmental  
11 function or service for the purposes of Chapter 791, Government  
12 Code. (Loc. Gov. Code, Secs. 376.364(a), (b).)

13 Sec. 3809.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
14 To protect the public interest, the district may contract with  
15 Harris County or the City of Houston for the county or the city to  
16 provide law enforcement services in the district for a fee. (Loc.  
17 Gov. Code, Sec. 376.364(c).)

18 Sec. 3809.105. COMPETITIVE BIDDING. Section 375.221, Local  
19 Government Code, does not apply to a district contract for \$25,000  
20 or less. (Loc. Gov. Code, Sec. 376.375.)

21 Sec. 3809.106. APPROVAL OF CERTAIN IMPROVEMENT  
22 PROJECTS. (a) Except as provided by Subsection (b), the district  
23 must obtain the approval of the City of Houston's governing body:

24 (1) for the issuance of a bond for each improvement  
25 project;

26 (2) of the plans and specifications of an improvement  
27 project financed by the bond; and

1           (3) of the plans and specifications of any district  
2 improvement project related to the use of land owned by the City of  
3 Houston, an easement granted by the City of Houston, or a  
4 right-of-way of a street, road, or highway.

5           (b) If the district obtains the approval of the City of  
6 Houston's governing body of a capital improvements budget for a  
7 period not to exceed five years, the district may finance the  
8 capital improvements and issue bonds specified in the budget  
9 without further approval of the City of Houston. (Loc. Gov. Code,  
10 Secs. 376.373(a), (b), (c).)

11           Sec. 3809.107. ANNEXATION. In addition to the authority to  
12 annex territory under Subchapter C, Chapter 375, Local Government  
13 Code, the district has the authority to annex territory located in a  
14 reinvestment zone created by the City of Houston under Chapter 311,  
15 Tax Code, if the city's governing body consents to the annexation.  
16 (Loc. Gov. Code, Sec. 376.366.)

17           [Sections 3809.108-3809.150 reserved for expansion]

18                       SUBCHAPTER D. FINANCIAL PROVISIONS

19           Sec. 3809.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
20 IMPROVEMENTS. (a) The board may not finance a service or an  
21 improvement project under this chapter unless a written petition  
22 requesting that service or improvement is filed with the board.

23           (b) The petition must be signed by:

24                       (1) the owners of a majority of the assessed value of  
25 real property in the district according to the most recent  
26 certified tax appraisal roll for Harris County; or

27                       (2) at least 25 owners of land in the district, if more

1 than 25 persons own property in the district according to the most  
2 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
3 Code, Sec. 376.367.)

4 Sec. 3809.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
5 board by resolution shall establish the number of directors'  
6 signatures and the procedure required for a disbursement or  
7 transfer of the district's money. (Loc. Gov. Code, Sec. 376.374.)

8 Sec. 3809.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
9 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
10 tax, assessment, or impact fee as provided by Chapter 375, Local  
11 Government Code, on all property in the district, including  
12 industrial, commercial, or residential property, to finance:

13 (1) an improvement this chapter authorizes the  
14 district to construct or acquire; or

15 (2) a service this chapter authorizes the district to  
16 provide. (Loc. Gov. Code, Sec. 376.363(c).)

17 Sec. 3809.154. MAINTENANCE TAX. (a) If authorized at an  
18 election held in accordance with Section 3809.158, the district may  
19 impose an annual ad valorem tax on taxable property in the district  
20 to:

21 (1) maintain and operate the district and the  
22 improvements constructed or acquired by the district; or

23 (2) provide a service.

24 (b) The board shall determine the tax rate. (Loc. Gov.  
25 Code, Sec. 376.369.)

26 Sec. 3809.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
27 The board by resolution may impose and collect an assessment for any

1 purpose authorized by this chapter.

2 (b) An assessment, including an assessment resulting from  
3 an addition to or correction of the assessment roll by the district,  
4 a reassessment, penalties and interest on an assessment or  
5 reassessment, an expense of collection, and reasonable attorney's  
6 fees incurred by the district:

7 (1) are a first and prior lien against the property  
8 assessed;

9 (2) are superior to any other lien or claim other than  
10 a lien or claim for county, school district, or municipal ad valorem  
11 taxes; and

12 (3) are the personal liability of and a charge against  
13 the owners of the property even if the owners are not named in the  
14 assessment proceedings.

15 (c) The lien is effective from the date of the board's  
16 resolution imposing the assessment until the date the assessment is  
17 paid. The board may enforce the lien in the same manner that the  
18 board may enforce an ad valorem tax lien against real property.  
19 (Loc. Gov. Code, Sec. 376.370.)

20 Sec. 3809.156. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS AND  
21 IMPACT FEES. The district may not impose an assessment or impact  
22 fee on the property of a person that provides to the public gas,  
23 electricity, telephone, sewage, or water service. (Loc. Gov. Code,  
24 Secs. 376.353(5), 376.372.)

25 Sec. 3809.157. CERTAIN RESIDENTIAL PROPERTY NOT EXEMPT.  
26 Section 375.161, Local Government Code, does not apply to the  
27 district. (Loc. Gov. Code, Sec. 376.371.)

1           Sec. 3809.158. ELECTIONS           REGARDING           TAXES           OR  
2 BONDS. (a) In addition to the elections required under  
3 Subchapter L, Chapter 375, Local Government Code, the district must  
4 hold an election in the manner provided by that subchapter to obtain  
5 voter approval before the district may:

6                   (1) impose a maintenance tax; or  
7                   (2) issue a bond payable from ad valorem taxes or  
8 assessments.

9           (b) The board may include more than one purpose in a single  
10 proposition at an election. (Loc. Gov. Code, Sec. 376.368.)

11           Sec. 3809.159. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
12 OBLIGATIONS. Except as provided by Section 375.263, Local  
13 Government Code, a municipality is not required to pay a bond, note,  
14 or other obligation of the district. (Loc. Gov. Code, Sec.  
15 376.373(d).)

16           [Sections 3809.160-3809.200 reserved for expansion]

17                   SUBCHAPTER E. DISSOLUTION

18           Sec. 3809.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
19 DEBT. (a) The board may dissolve the district regardless of  
20 whether the district has debt. Section 375.264, Local Government  
21 Code, does not apply to the district.

22           (b) If the district has debt when it is dissolved, the  
23 district shall remain in existence solely for the purpose of  
24 discharging its debts. The dissolution is effective when all debts  
25 have been discharged. (Loc. Gov. Code, Sec. 376.376.)

26           CHAPTER 3810. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT NO. 1

27                   SUBCHAPTER A. GENERAL PROVISIONS

1    Sec. 3810.001.    DEFINITIONS  
2    Sec. 3810.002.    HARRIS COUNTY MUNICIPAL MANAGEMENT  
3                                DISTRICT NO. 1  
4    Sec. 3810.003.    PURPOSE; DECLARATION OF INTENT  
5    Sec. 3810.004.    FINDINGS OF BENEFIT AND PUBLIC PURPOSE  
6    Sec. 3810.005.    DISTRICT TERRITORY  
7    Sec. 3810.006.    APPLICABILITY OF OTHER LAW  
8    Sec. 3810.007.    LIBERAL CONSTRUCTION OF CHAPTER  
9                    [Sections 3810.008-3810.050 reserved for expansion]  
10                                SUBCHAPTER B.    BOARD OF DIRECTORS  
11    Sec. 3810.051.    BOARD OF DIRECTORS; TERMS  
12    Sec. 3810.052.    APPOINTMENT OF DIRECTORS  
13    Sec. 3810.053.    EX OFFICIO DIRECTORS  
14    Sec. 3810.054.    CONFLICTS OF INTEREST  
15                    [Sections 3810.055-3810.100 reserved for expansion]  
16                                SUBCHAPTER C.    POWERS AND DUTIES  
17    Sec. 3810.101.    DISTRICT POWERS  
18    Sec. 3810.102.    NONPROFIT CORPORATION  
19    Sec. 3810.103.    AGREEMENTS, DONATIONS, GRANTS, AND  
20                                LOANS  
21    Sec. 3810.104.    AUTHORITY TO CONTRACT FOR LAW  
22                                ENFORCEMENT  
23    Sec. 3810.105.    COMPETITIVE BIDDING  
24    Sec. 3810.106.    APPROVAL BY CITY OF HOUSTON  
25    Sec. 3810.107.    ANNEXATION  
26                    [Sections 3810.108-3810.150 reserved for expansion]  
27                                SUBCHAPTER D.    FINANCIAL PROVISIONS



1 Sec. 3810.151. PETITION REQUIRED FOR FINANCING

2 SERVICES AND IMPROVEMENTS

3 Sec. 3810.152. DISBURSEMENTS AND TRANSFERS OF MONEY

4 Sec. 3810.153. MAINTENANCE TAX

5 Sec. 3810.154. ASSESSMENTS; LIENS FOR ASSESSMENTS

6 Sec. 3810.155. UTILITY PROPERTY EXEMPT FROM IMPACT

7 FEES AND ASSESSMENTS

8 Sec. 3810.156. ELECTIONS REGARDING TAXES OR BONDS

9 Sec. 3810.157. MUNICIPALITY NOT OBLIGATED TO PAY

10 DISTRICT OBLIGATIONS

11 [Sections 3810.158-3810.200 reserved for expansion]

12 SUBCHAPTER E. DISSOLUTION

13 Sec. 3810.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

14 DEBT

15 CHAPTER 3810. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT NO. 1

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 3810.001. DEFINITIONS. In this chapter:

18 (1) "Board" means the board of directors of the  
19 district.

20 (2) "District" means the Harris County Municipal  
21 Management District No. 1. (Loc. Gov. Code, Secs. 376.403(1),  
22 (3).)

23 Sec. 3810.002. HARRIS COUNTY MUNICIPAL MANAGEMENT DISTRICT  
24 NO. 1. The Harris County Municipal Management District No. 1 is a  
25 special district created under Section 59, Article XVI, Texas  
26 Constitution. (Loc. Gov. Code, Sec. 376.401(a).)

27 Sec. 3810.003. PURPOSE; DECLARATION OF INTENT. (a) The

1 creation of the district is essential to accomplish the purposes of  
2 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
3 Texas Constitution, and other public purposes stated in this  
4 chapter. By creating the district and in authorizing Harris  
5 County, the City of Houston, and other political subdivisions to  
6 contract with the district, the legislature has established a  
7 program to accomplish the public purposes set out in Section 52-a,  
8 Article III, Texas Constitution.

9 (b) The creation of the district is necessary to promote,  
10 develop, encourage, and maintain employment, commerce,  
11 transportation, housing, tourism, recreation, the arts,  
12 entertainment, economic development, safety, and the public  
13 welfare in the district.

14 (c) This chapter and the creation of the district may not be  
15 interpreted to relieve Harris County or the City of Houston from  
16 providing the level of services provided as of June 18, 1999, to the  
17 area in the district or to release the county or the city from the  
18 obligations of each entity to provide services to that area. The  
19 district is created to supplement and not to supplant the county or  
20 city services provided in the area in the district. (Loc. Gov.  
21 Code, Secs. 376.401(c), 376.402.)

22 Sec. 3810.004. FINDINGS OF BENEFIT AND PUBLIC  
23 PURPOSE. (a) The district is created to serve a public use and  
24 benefit.

25 (b) All land and other property included in the district  
26 will benefit from the improvements and services to be provided by  
27 the district under powers conferred by Sections 52 and 52-a,

Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) The creation of the district is in the public interest and is essential to:

(1) further the public purposes of developing and diversifying the economy of the state;

(2) eliminate unemployment and underemployment; and

(3) develop or expand transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, employees, visitors, and consumers in the district and of the public;

(2) provide needed funding to preserve, maintain, and enhance the economic health and vitality of the area as a community and business center; and

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic and aesthetic beauty.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district may not act as the agent or instrumentality of any private interest even though the district will benefit many

1 private interests as well as the public. (Loc. Gov. Code, Sec.  
2 376.406.)

3 Sec. 3810.005. DISTRICT TERRITORY. (a) The district is  
4 composed of the territory described by Chapter 1324, Acts of the  
5 76th Legislature, Regular Session, 1999, enacting former Section  
6 376.304, Local Government Code, as that territory may have been  
7 modified under:

8 (1) Section 3810.107, or its predecessor statutes,  
9 former Section 376.316, Local Government Code, as added by Chapter  
10 1324, Acts of the 76th Legislature, Regular Session, 1999, and  
11 former Section 376.416, Local Government Code;

12 (2) Subchapter J, Chapter 49, Water Code; or

13 (3) other law.

14 (b) The boundaries and field notes of the district contained  
15 in Chapter 1324, Acts of the 76th Legislature, Regular Session,  
16 1999, enacting former Section 376.304, Local Government Code, form  
17 a closure. A mistake in the field notes or in copying the field  
18 notes in the legislative process does not affect the district's:

19 (1) organization, existence, or validity;

20 (2) right to issue any type of bond for a purpose for  
21 which the district is created or to pay the principal of and  
22 interest on the bond;

23 (3) right to impose or collect an assessment or tax; or

24 (4) legality or operation. (Loc. Gov. Code, Sec.  
25 376.405; New.)

26 Sec. 3810.006. APPLICABILITY OF OTHER LAW. Except as  
27 otherwise provided by this chapter, Chapter 375, Local Government

Code, applies to the district. (Loc. Gov. Code, Sec. 376.407.)

Sec. 3810.007. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter. (Loc. Gov. Code, Sec. 376.408.)

[Sections 3810.008-3810.050 reserved for expansion]

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3810.051. BOARD OF DIRECTORS; TERMS. (a) The district is governed by a board of 11 directors who serve staggered terms of four years.

(b) A director shall receive compensation as provided by Section 49.060, Water Code. (Loc. Gov. Code, Sec. 376.409.)

Sec. 3810.052. APPOINTMENT OF DIRECTORS. (a) The mayor and members of the governing body of the City of Houston shall appoint directors from persons recommended by the board. A person is appointed if a majority of the members and the mayor vote to appoint the person.

(b) A person may not be appointed to the board if the appointment of that person would result in fewer than two-thirds of the directors being residents of the city of Houston. (Loc. Gov. Code, Sec. 376.410.)

Sec. 3810.053. EX OFFICIO DIRECTORS. (a) The following persons serve as nonvoting ex officio directors:

(1) the directors of the parks and recreation, planning and development, public works, and civic center departments of the City of Houston;

(2) the chief of police of the City of Houston;

1           (3) Harris County's general manager of the  
2 Metropolitan Transit Authority of Harris County, Texas; and

3           (4) the president of each institution of higher  
4 learning located in the district.

5           (b) If a department described by Subsection (a) is  
6 consolidated, renamed, or changed, the board may appoint a director  
7 of the consolidated, renamed, or changed department as a nonvoting  
8 ex officio director. If a department described by Subsection (a) is  
9 abolished, the board may appoint a representative of another  
10 department of the City of Houston that performs duties comparable  
11 to those performed by the abolished department.

12           (c) The board may appoint the presiding officer of a  
13 nonprofit corporation actively involved in activities in the area  
14 of the district in the city of Houston to serve as a nonvoting ex  
15 officio director. (Loc. Gov. Code, Sec. 376.411.)

16           Sec. 3810.054. CONFLICTS OF INTEREST. (a) Except as  
17 provided by this section:

18           (1) a director may participate in all board votes and  
19 decisions; and

20           (2) Chapter 171, Local Government Code, governs  
21 conflicts of interest of directors.

22           (b) Section 171.004, Local Government Code, does not apply  
23 to the district. A director who has a substantial interest in a  
24 business or charitable entity that will receive a pecuniary benefit  
25 from a board action shall file an affidavit with the board secretary  
26 declaring the interest. Another affidavit is not required if the  
27 director's interest changes.

1 (c) After the affidavit is filed, the director may  
2 participate in a discussion or vote on that action if:

3 (1) a majority of the directors have a similar  
4 interest in the same entity; or

5 (2) all other similar business or charitable entities  
6 in the district will receive a similar pecuniary benefit.

7 (d) A director who is also an officer or employee of a public  
8 entity may not participate in a discussion of or vote on a matter  
9 regarding a contract with that same public entity.

10 (e) For purposes of this section, a director has a  
11 substantial interest in a charitable entity in the same manner that  
12 a person would have a substantial interest in a business entity  
13 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
14 Sec. 376.412.)

15 [Sections 3810.055-3810.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 3810.101. DISTRICT POWERS. (a) The district may  
18 exercise the powers given to:

19 (1) a corporation created under Section 4B,  
20 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
21 Civil Statutes);

22 (2) a housing finance corporation created under  
23 Chapter 394, Local Government Code, to provide housing or  
24 residential development projects in the district; and

25 (3) an eligible political subdivision under Chapter  
26 221, Natural Resources Code.

27 (b) The district may exercise its powers in an area outside

1 the district if the board determines that exercising that power  
2 benefits the district. (Loc. Gov. Code, Sec. 376.413.)

3 Sec. 3810.102. NONPROFIT CORPORATION. (a) The board by  
4 resolution may authorize the creation of a nonprofit corporation to  
5 assist and act for the district in implementing a project or  
6 providing a service authorized by this chapter.

7 (b) The nonprofit corporation:

8 (1) has each power of and is considered for purposes of  
9 this chapter to be a local government corporation created under  
10 Chapter 431, Transportation Code; and

11 (2) may implement any project and provide any service  
12 authorized by this chapter.

13 (c) The board shall appoint the board of directors of the  
14 nonprofit corporation. The board of directors of the nonprofit  
15 corporation shall serve in the same manner as, for the same term as,  
16 and on the same conditions as the board of directors of a local  
17 government corporation created under Chapter 431, Transportation  
18 Code. (Loc. Gov. Code, Sec. 376.415.)

19 Sec. 3810.103. AGREEMENTS, DONATIONS, GRANTS, AND  
20 LOANS. (a) The district may enter into an agreement with or  
21 accept a donation, grant, or loan from any person.

22 (b) The implementation of a project is a governmental  
23 function or service for purposes of Chapter 791, Government Code.  
24 (Loc. Gov. Code, Secs. 376.414(a), (b).)

25 Sec. 3810.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
26 To protect the public interest, the district may contract with  
27 Harris County or the City of Houston for the county or city to



1 provide law enforcement services in the district for a fee. (Loc.  
2 Gov. Code, Sec. 376.414(c).)

3 Sec. 3810.105. COMPETITIVE BIDDING. Section 375.221, Local  
4 Government Code, does not apply to a district contract for \$25,000  
5 or less. (Loc. Gov. Code, Sec. 376.424.)

6 Sec. 3810.106. APPROVAL BY CITY OF HOUSTON. (a) Except as  
7 provided by Subsection (b), the district must obtain approval from  
8 the City of Houston's governing body:

9 (1) for the issuance of a bond for each improvement  
10 project;

11 (2) of the plans and specifications of the improvement  
12 project to be financed by the bond; and

13 (3) of the plans and specifications of any district  
14 improvement project related to the use of land owned by the City of  
15 Houston, an easement granted by the City of Houston, or a  
16 right-of-way of a street, road, or highway.

17 (b) If the district obtains approval from the City of  
18 Houston's governing body of a capital improvements budget for a  
19 period not to exceed five years, the district may finance the  
20 capital improvements and issue bonds specified in the budget  
21 without further approval from the City of Houston. (Loc. Gov. Code,  
22 Secs. 376.422(a), (b), (c).)

23 Sec. 3810.107. ANNEXATION. In addition to the authority to  
24 annex territory under Subchapter C, Chapter 375, Local Government  
25 Code, the district has the authority to annex territory located in a  
26 reinvestment zone created by the City of Houston under Chapter 311,  
27 Tax Code, if the city's governing body consents to the annexation.

(Loc. Gov. Code, Sec. 376.416.)

[Sections 3810.108-3810.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3810.151. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS. (a) The board may not finance a service or an improvement project under this chapter unless a written petition requesting that service or improvement is filed with the board.

(b) The petition must be signed by the owners of a majority of the assessed value of real property in the district according to the most recent certified tax appraisal roll for Harris County. (Loc. Gov. Code, Sec. 376.418.)

Sec. 3810.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money. (Loc. Gov. Code, Sec. 376.423.)

Sec. 3810.153. MAINTENANCE TAX. (a) The district may impose an annual ad valorem tax on taxable property in the district to maintain and operate the district and the improvements constructed or acquired by the district or to provide a service only if:

(1) two-thirds of the directors vote in favor of imposing the tax; and

(2) the tax is authorized at an election held in accordance with Section 3810.156.

(b) The board shall determine the tax rate. (Loc. Gov. Code, Sec. 376.420.)

Sec. 3810.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)

1 The board by resolution may impose and collect an assessment for any  
2 purpose authorized by this chapter only if two-thirds of the  
3 directors vote in favor of imposing the assessment.

4 (b) An assessment, a reassessment, or an assessment  
5 resulting from an addition to or correction of the assessment roll  
6 by the district, penalties and interest on an assessment or  
7 reassessment, an expense of collection, and reasonable attorney's  
8 fees incurred by the district:

9 (1) are a first and prior lien against the property  
10 assessed;

11 (2) are superior to any other lien or claim other than  
12 a lien or claim for county, school district, or municipal ad valorem  
13 taxes; and

14 (3) are the personal liability of and a charge against  
15 the owners of the property even if the owners are not named in the  
16 assessment proceeding.

17 (c) The lien is effective from the date of the board's  
18 resolution imposing the assessment until the date the assessment is  
19 paid. The board may enforce the lien in the same manner that the  
20 board may enforce an ad valorem tax lien against real property.  
21 (Loc. Gov. Code, Sec. 376.417.)

22 Sec. 3810.155. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
23 ASSESSMENTS. The district may not impose an impact fee or  
24 assessment on the property of a person who provides to the public  
25 gas, electric, telephone, sewage, or water service. (Loc. Gov.  
26 Code, Secs. 376.403(5), 376.421.)

27 Sec. 3810.156. ELECTIONS REGARDING TAXES OR

1 BONDS. (a) In addition to the elections required under  
2 Subchapter L, Chapter 375, Local Government Code, the district must  
3 hold an election in the manner provided by that subchapter to obtain  
4 voter approval before the district may:

5 (1) impose a maintenance tax; or

6 (2) issue a bond payable from ad valorem taxes or  
7 assessments.

8 (b) The board may submit multiple purposes in a single  
9 proposition at an election. (Loc. Gov. Code, Sec. 376.419.)

10 Sec. 3810.157. MUNICIPALITY NOT OBLIGATED TO PAY DISTRICT  
11 OBLIGATIONS. Except as provided by Section 375.263, Local  
12 Government Code, a municipality is not obligated to pay a bond,  
13 note, or other obligation of the district. (Loc. Gov. Code, Sec.  
14 376.422(d).)

15 [Sections 3810.158-3810.200 reserved for expansion]

#### 16 SUBCHAPTER E. DISSOLUTION

17 Sec. 3810.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
18 DEBT. (a) The board may dissolve the district regardless of  
19 whether the district has debt. Section 375.264, Local Government  
20 Code, does not apply to the district.

21 (b) If the district has debt when it is dissolved, the  
22 district shall remain in existence solely for the purpose of  
23 discharging its debts. The dissolution is effective when all debts  
24 have been discharged. (Loc. Gov. Code, Sec. 376.425.)

#### 25 CHAPTER 3811. NEAR NORTHWEST MANAGEMENT DISTRICT

##### 26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 3811.001. DEFINITIONS

1    Sec. 3811.002.    NEAR NORTHWEST MANAGEMENT DISTRICT  
2    Sec. 3811.003.    PURPOSE; DECLARATION OF INTENT  
3    Sec. 3811.004.    FINDINGS OF BENEFIT AND PUBLIC PURPOSE  
4    Sec. 3811.005.    DISTRICT TERRITORY  
5    Sec. 3811.006.    APPLICABILITY OF OTHER LAW  
6    Sec. 3811.007.    RELATION TO OTHER LAW  
7    Sec. 3811.008.    LIBERAL CONSTRUCTION OF CHAPTER  
8                    [Sections 3811.009-3811.050 reserved for expansion]  
9                    SUBCHAPTER B.    BOARD OF DIRECTORS  
10   Sec. 3811.051.    BOARD OF DIRECTORS; TERMS  
11   Sec. 3811.052.    APPOINTMENT OF DIRECTORS  
12   Sec. 3811.053.    EX OFFICIO DIRECTORS  
13   Sec. 3811.054.    CONFLICTS OF INTEREST  
14                    [Sections 3811.055-3811.100 reserved for expansion]  
15                    SUBCHAPTER C.    POWERS AND DUTIES  
16   Sec. 3811.101.    DISTRICT POWERS  
17   Sec. 3811.102.    NONPROFIT CORPORATION  
18   Sec. 3811.103.    CONTRACTS; GRANTS; DONATIONS  
19   Sec. 3811.104.    ANNEXATION  
20                    [Sections 3811.105-3811.150 reserved for expansion]  
21                    SUBCHAPTER D.    FINANCIAL PROVISIONS  
22   Sec. 3811.151.    PETITION REQUIRED FOR FINANCING SERVICES  
23                    AND IMPROVEMENTS  
24   Sec. 3811.152.    DISBURSEMENTS AND TRANSFERS OF MONEY  
25   Sec. 3811.153.    BOARD VOTE REQUIRED TO IMPOSE TAXES,  
26                    ASSESSMENTS, OR IMPACT FEES  
27   Sec. 3811.154.    AUTHORITY TO IMPOSE AD VALOREM TAXES,

ASSESSMENTS, AND IMPACT FEES

Sec. 3811.155. MAINTENANCE TAX

Sec. 3811.156. ASSESSMENTS; LIENS FOR ASSESSMENTS

Sec. 3811.157. PROPERTY EXEMPT FROM IMPACT FEES AND  
ASSESSMENTS

Sec. 3811.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

Sec. 3811.159. ELECTIONS REGARDING TAXES OR BONDS

Sec. 3811.160. SALES AND USE TAX PROHIBITED

[Sections 3811.161-3811.200 reserved for expansion]

SUBCHAPTER E. DISSOLUTION

Sec. 3811.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
DEBT

CHAPTER 3811. NEAR NORTHWEST MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3811.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the  
district.

(2) "District" means the Near Northwest Management  
District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
77th Leg., R.S., Ch. 418.)

Sec. 3811.002. NEAR NORTHWEST MANAGEMENT DISTRICT. A  
special district known as the "Near Northwest Management District"  
is a governmental agency and political subdivision of this state.  
(Loc. Gov. Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch.  
418.)

Sec. 3811.003. PURPOSE; DECLARATION OF INTENT. (a) The  
creation of the district is essential to accomplish the purposes of

1 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
2 Texas Constitution, and other public purposes stated in this  
3 chapter. By creating the district and in authorizing Harris  
4 County, the City of Houston, and other political subdivisions to  
5 contract with the district, the legislature has established a  
6 program to accomplish the public purposes set out in Section 52-a,  
7 Article III, Texas Constitution.

8 (b) The creation of the district is necessary to promote,  
9 develop, encourage, and maintain employment, commerce,  
10 transportation, housing, tourism, recreation, the arts,  
11 entertainment, economic development, safety, and the public  
12 welfare in the near northwest area of the city of Houston.

13 (c) This chapter and the creation of the district may not be  
14 interpreted to relieve Harris County or the City of Houston from  
15 providing the level of services provided as of May 28, 2001, to the  
16 area in the district or to release the county or the city from the  
17 obligations of each entity to provide services to that area. The  
18 district is created to supplement and not to supplant the county or  
19 city services provided in the area in the district. (Loc. Gov.  
20 Code, Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
21 418.)

22 Sec. 3811.004. FINDINGS OF BENEFIT AND PUBLIC  
23 PURPOSE. (a) The district is created to serve a public use and  
24 benefit.

25 (b) All land and other property included in the district  
26 will benefit from the improvements and services to be provided by  
27 the district under powers conferred by Sections 52 and 52-a,

Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) The creation of the district is in the public interest and is essential to:

(1) further the public purposes of developing and diversifying the economy of the state;

(2) eliminate unemployment and underemployment; and

(3) develop or expand transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the near northwest area of the city of Houston to preserve, maintain, and enhance the economic health and vitality of the area as a community and business center; and

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic and aesthetic beauty.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district will not act as the agent or



1 instrumentality of any private interest even though the district  
2 will benefit many private interests as well as the public. (Loc.  
3 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 418.)

4 Sec. 3811.005. DISTRICT TERRITORY. (a) The district is  
5 composed of the territory contained in the area bounded by T.C.  
6 Jester Boulevard on the east, Pinemont Drive on the south,  
7 Hollister Drive projected to State Road 249 on the west, and State  
8 Road 249 on the north, as those roads existed on May 28, 2001, and as  
9 that territory may have been modified under:

10 (1) Section 3811.104 or its predecessor statute,  
11 former Section 376.479, Local Government Code, as added by Section  
12 1, Chapter 418, Acts of the 77th Legislature, Regular Session,  
13 2001;

14 (2) Subchapter J, Chapter 49, Water Code; or

15 (3) other law.

16 (b) The boundaries described by Subsection (a) form a  
17 closure. A mistake in the description in the legislative process  
18 does not in any way affect:

19 (1) the district's organization, existence, and  
20 validity;

21 (2) the district's right to issue any type of bond,  
22 including a refunding bond, for a purpose for which the district is  
23 created or to pay the principal of and interest on the bond;

24 (3) the district's right to impose and collect an  
25 assessment or tax; or

26 (4) the legality or operation of the district or the  
27 board. (Loc. Gov. Code, Secs. 376.454, 376.455, as added Acts 77th

1 Leg., R.S., Ch. 418; New.)

2 Sec. 3811.006. APPLICABILITY OF OTHER LAW. Except as  
3 otherwise provided by this chapter, Chapter 375, Local Government  
4 Code, applies to the district, the board, and district employees.  
5 (Loc. Gov. Code, Secs. 376.457, 376.461 (part), as added Acts 77th  
6 Leg., R.S., Ch. 418.)

7 Sec. 3811.007. RELATION TO OTHER LAW. This chapter  
8 prevails over any provision of general law, including a law to which  
9 this chapter refers, that is in conflict with or is inconsistent  
10 with this chapter. (Loc. Gov. Code, Sec. 376.467 (part), as added  
11 Acts 77th Leg., R.S., Ch. 418.)

12 Sec. 3811.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
13 chapter shall be liberally construed in conformity with the  
14 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
15 376.458, as added Acts 77th Leg., R.S., Ch. 418.)

16 [Sections 3811.009-3811.050 reserved for expansion]

17 SUBCHAPTER B. BOARD OF DIRECTORS

18 Sec. 3811.051. BOARD OF DIRECTORS; TERMS. (a) The  
19 district is governed by a board of nine directors who serve  
20 staggered terms of four years with five directors' terms expiring  
21 June 1 of an odd-numbered year and four directors' terms expiring  
22 June 1 of the following odd-numbered year.

23 (b) The board by resolution may increase or decrease the  
24 number of directors on the board, but only if it is in the best  
25 interest of the district to do so. The board may not:

26 (1) increase the number of directors to more than 30;

27 or

1           (2) decrease the number of directors to fewer than  
2 nine. (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th Leg.,  
3 R.S., Ch. 418.)

4           Sec. 3811.052. APPOINTMENT OF DIRECTORS. The mayor and  
5 members of the governing body of the City of Houston shall appoint  
6 directors from persons recommended by the board who meet the  
7 qualifications prescribed by Subchapter D, Chapter 375, Local  
8 Government Code. (Loc. Gov. Code, Sec. 376.460 (part), as added  
9 Acts 77th Leg., R.S., Ch. 418.)

10          Sec. 3811.053. EX OFFICIO DIRECTORS. (a) The following  
11 persons serve as nonvoting ex officio directors:

12           (1) the directors of the parks and recreation,  
13 planning and development, public works, and civic center  
14 departments of the City of Houston;

15           (2) the chief of police of the City of Houston;

16           (3) the general manager of the Metropolitan Transit  
17 Authority of Harris County, Texas; and

18           (4) the president of each institution of higher  
19 learning located in the district.

20          (b) If a department described by Subsection (a) is  
21 consolidated, renamed, or changed, the board may appoint a director  
22 of the consolidated, renamed, or changed department as a nonvoting  
23 ex officio director. If a department described by Subsection (a) is  
24 abolished, the board may appoint a representative of another  
25 department of the City of Houston that performs duties comparable  
26 to those performed by the abolished department.

27          (c) The board may appoint the presiding officer of a

1 nonprofit corporation that is actively involved in activities in  
2 the near northwest area of the city of Houston to serve as a  
3 nonvoting ex officio director. (Loc. Gov. Code, Sec. 376.464, as  
4 added Acts 77th Leg., R.S., Ch. 418.)

5 Sec. 3811.054. CONFLICTS OF INTEREST. (a) Except as  
6 provided by this section:

7 (1) a director may participate in all board votes and  
8 decisions; and

9 (2) Chapter 171, Local Government Code, governs  
10 conflicts of interest of directors.

11 (b) Section 171.004, Local Government Code, does not apply  
12 to the district. A director who has a substantial interest in a  
13 business or charitable entity that will receive a pecuniary benefit  
14 from a board action shall file an affidavit with the board secretary  
15 declaring the interest. Another affidavit is not required if the  
16 director's interest changes.

17 (c) After the affidavit is filed, the director may  
18 participate in a discussion or vote on that action if:

19 (1) a majority of the directors have a similar  
20 interest in the same entity; or

21 (2) all other similar business or charitable entities  
22 in the district will receive a similar pecuniary benefit.

23 (d) A director who is also an officer or employee of a public  
24 entity may not participate in a discussion of or vote on a matter  
25 regarding a contract with that same public entity.

26 (e) For purposes of this section, a director has a  
27 substantial interest in a charitable entity in the same manner that

1 a person would have a substantial interest in a business entity  
2 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
3 Sec. 376.465, as added Acts 77th Leg., R.S., Ch. 418.)

4 [Sections 3811.055-3811.100 reserved for expansion]

5 SUBCHAPTER C. POWERS AND DUTIES

6 Sec. 3811.101. DISTRICT POWERS. The district has:

7 (1) all powers necessary to accomplish the purposes  
8 for which the district was created;

9 (2) the powers given to a corporation under Section  
10 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's  
11 Texas Civil Statutes), and the power to own, operate, acquire,  
12 construct, lease, improve, and maintain projects; and

13 (3) the powers given to a housing finance corporation  
14 created under Chapter 394, Local Government Code, to provide  
15 housing or residential development projects in the district. (Loc.  
16 Gov. Code, Sec. 376.461 (part), as added Acts 77th Leg., R.S., Ch.  
17 418.)

18 Sec. 3811.102. NONPROFIT CORPORATION. (a) The board by  
19 resolution may authorize the creation of a nonprofit corporation to  
20 assist and act for the district in implementing a project or  
21 providing a service authorized by this chapter.

22 (b) The nonprofit corporation:

23 (1) has each power of and is considered for purposes of  
24 this chapter to be a local government corporation created under  
25 Chapter 431, Transportation Code; and

26 (2) may implement any project and provide any service  
27 authorized by this chapter.

1           (c) The board shall appoint the board of directors of the  
2 nonprofit corporation. The board of directors of the nonprofit  
3 corporation shall serve in the same manner as, for the same term as,  
4 and on the conditions of the board of directors of a local  
5 government corporation created under Chapter 431, Transportation  
6 Code. (Loc. Gov. Code, Sec. 376.469, as added Acts 77th Leg., R.S.,  
7 Ch. 418.)

8           Sec. 3811.103. CONTRACTS; GRANTS; DONATIONS. (a) To  
9 protect the public interest, the district may contract with Harris  
10 County or the City of Houston for the county or city to provide law  
11 enforcement services in the district for a fee.

12           (b) Harris County, the City of Houston, or another political  
13 subdivision of this state, without further authorization, may  
14 contract with the district to implement a project of the district or  
15 assist the district in providing a service authorized under this  
16 chapter. A contract under this subsection may:

- 17                   (1) be for a period on which the parties agree;  
18                   (2) include terms on which the parties agree;  
19                   (3) be payable from taxes or any other source of  
20 revenue that may be available for that project or service; or  
21                   (4) provide terms under which taxes or other revenue  
22 collected at a district project or from a person using or purchasing  
23 a commodity or service at a district project may be paid or rebated  
24 to the district.

25           (c) The district may enter into a contract, lease, or other  
26 agreement with or make or accept a grant or loan to or from, or  
27 accept a donation from, any person, including:

1 (1) the United States;

2 (2) this state or a state agency;

3 (3) any political subdivision of this state; or

4 (4) a public or private corporation, including a  
5 nonprofit corporation created by the board under this subchapter.

6 (d) The district may perform all acts necessary for the full  
7 exercise of the powers vested in the district on terms and for the  
8 period the board determines advisable.

9 (e) The implementation of a project is a governmental  
10 function or service for the purposes of Chapter 791, Government  
11 Code. (Loc. Gov. Code, Secs. 376.478, 376.480, as added Acts 77th  
12 Leg., R.S., Ch. 418.)

13 Sec. 3811.104. ANNEXATION. In addition to the authority to  
14 annex territory under Subchapter C, Chapter 375, Local Government  
15 Code, the district has the authority to annex territory located in a  
16 reinvestment zone created by the City of Houston under Chapter 311,  
17 Tax Code, if the city's governing body consents to the annexation.  
18 (Loc. Gov. Code, Sec. 376.479, as added Acts 77th Leg., R.S., Ch.  
19 418.)

20 [Sections 3811.105-3811.150 reserved for expansion]

21 SUBCHAPTER D. FINANCIAL PROVISIONS

22 Sec. 3811.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
23 IMPROVEMENTS. (a) The board may not finance a service or an  
24 improvement project under this chapter unless a written petition  
25 requesting that service or improvement is filed with the board.

26 (b) The petition must be signed by:

27 (1) the owners of a majority of the assessed value of

1 real property in the district according to the most recent  
2 certified tax appraisal roll for Harris County; or

3 (2) at least 50 owners of land in the district, if more  
4 than 50 persons own land in the district according to the most  
5 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
6 Code, Sec. 376.468, as added Acts 77th Leg., R.S., Ch. 418.)

7 Sec. 3811.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
8 board by resolution shall establish the number of directors'  
9 signatures and the procedure required for a disbursement or  
10 transfer of the district's money. (Loc. Gov. Code, Sec. 376.470, as  
11 added Acts 77th Leg., R.S., Ch. 418.)

12 Sec. 3811.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
13 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
14 or impact fee requires a vote of a majority of the directors  
15 serving. (Loc. Gov. Code, Sec. 376.459(b) (part), as added Acts  
16 77th Leg., R.S., Ch. 418.)

17 Sec. 3811.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
18 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
19 tax, assessment, or impact fee as provided by Chapter 375, Local  
20 Government Code, to provide an improvement or service for a project  
21 or activity the district may acquire, construct, improve, or  
22 provide under this chapter. (Loc. Gov. Code, Sec. 376.461 (part),  
23 as added Acts 77th Leg., R.S., Ch. 418.)

24 Sec. 3811.155. MAINTENANCE TAX. (a) If authorized at an  
25 election held in accordance with Section 3811.159, the district may  
26 impose an annual ad valorem tax on taxable property in the district  
27 to:



1           (1) maintain and operate the district and the  
2 improvements constructed or acquired by the district; or

3           (2) provide a service.

4           (b) The board shall determine the tax rate. (Loc. Gov.  
5 Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 418.)

6           Sec. 3811.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
7 The board by resolution may impose and collect an assessment for any  
8 purpose authorized by this chapter.

9           (b) An assessment, a reassessment, or an assessment  
10 resulting from an addition to or correction of the assessment roll  
11 by the district, penalties and interest on an assessment or  
12 reassessment, an expense of collection, and reasonable attorney's  
13 fees incurred by the district:

14           (1) are a first and prior lien against the property  
15 assessed;

16           (2) are superior to any other lien or claim other than  
17 a lien or claim for county, school district, or municipal ad valorem  
18 taxes; and

19           (3) are the personal liability of and a charge against  
20 each owner of the property even if the owners are not named in the  
21 assessment proceeding.

22           (c) The lien is effective from the date of the board's  
23 resolution imposing the assessment until the date the assessment is  
24 paid. The board may enforce the lien in the same manner that the  
25 board may enforce an ad valorem tax lien against real property.

26           (d) The board may correct, add to, or delete assessments  
27 from its assessment rolls after notice and hearing as provided by

1 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
2 Secs. 376.461 (part), 376.472, as added Acts 77th Leg., R.S., Ch.  
3 418.)

4 Sec. 3811.157. PROPERTY EXEMPT FROM IMPACT FEES AND  
5 ASSESSMENTS. The district may not impose an impact fee or  
6 assessment on:

7 (1) a residence homestead as defined by Section 11.13,  
8 Tax Code; or

9 (2) the property, equipment, or facilities of a person  
10 that provides to the public cable television, gas, light, power,  
11 telephone, sewage, or water service. (Loc. Gov. Code, Secs.  
12 376.453(5), 376.473, as added Acts 77th Leg., R.S., Ch. 418.)

13 Sec. 3811.158. OBLIGATIONS; APPROVAL BY CITY OF  
14 HOUSTON. (a) The district may issue bonds or other obligations  
15 payable in whole or in part from ad valorem taxes, assessments,  
16 impact fees, revenue, grants, or other money of the district, or any  
17 combination of those sources of money, to pay for any authorized  
18 purpose of the district.

19 (b) In exercising the district's borrowing power, the  
20 district may issue a bond or other obligation in the form of a bond,  
21 note, certificate of participation or other instrument evidencing a  
22 proportionate interest in payments to be made by the district, or  
23 other type of obligation.

24 (c) Except as provided by Subsection (d), the district must  
25 obtain the approval of the City of Houston:

26 (1) for the issuance of a bond for each improvement  
27 project;

(2) of the plans and specifications of the improvement project to be financed by the bond; and

(3) of the plans and specifications of a district improvement project related to:

(A) the use of land owned by the City of Houston;

(B) an easement granted by the City of Houston;

or

(C) a right-of-way of a street, road, or highway.

(d) If the district obtains the approval of the City of Houston of a capital improvements budget for a specified period not to exceed five years, the district may finance the capital improvements and issue bonds specified in the budget without further approval from the City of Houston. (Loc. Gov. Code, Secs. 376.471(a), (b) (part), (c), (d), as added Acts 77th Leg., R.S., Ch. 418.)

Sec. 3811.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In addition to the elections required under Subchapter L, Chapter 375, Local Government Code, the district must hold an election in the manner provided by that subchapter to obtain voter approval before the district may:

(1) impose a maintenance tax; or

(2) issue a bond payable from ad valorem taxes or assessments.

(b) The board may submit multiple purposes in a single proposition at an election. (Loc. Gov. Code, Sec. 376.474, as added Acts 77th Leg., R.S., Ch. 418.)

Sec. 3811.160. SALES AND USE TAX PROHIBITED. The district

1 may not impose a sales and use tax. (Loc. Gov. Code, Sec. 376.462,  
2 as added Acts 77th Leg., R.S., Ch. 418.)

3 [Sections 3811.161-3811.200 reserved for expansion]

4 SUBCHAPTER E. DISSOLUTION

5 Sec. 3811.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
6 DEBT. If the district has debt when it is dissolved, the district  
7 shall remain in existence solely for the purpose of discharging its  
8 bonds or other obligations according to their terms. (Loc. Gov.  
9 Code, Sec. 376.477 (part), as added Acts 77th Leg., R.S., Ch. 418.)

10 CHAPTER 3812. GREATER NORTHSIDE MANAGEMENT DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 3812.001. DEFINITIONS

13 Sec. 3812.002. GREATER NORTHSIDE MANAGEMENT DISTRICT

14 Sec. 3812.003. PURPOSE; DECLARATION OF INTENT

15 Sec. 3812.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

16 Sec. 3812.005. DISTRICT TERRITORY

17 Sec. 3812.006. APPLICABILITY OF OTHER LAW

18 Sec. 3812.007. RELATION TO OTHER LAW

19 Sec. 3812.008. LIBERAL CONSTRUCTION OF CHAPTER

20 [Sections 3812.009-3812.050 reserved for expansion]

21 SUBCHAPTER B. BOARD OF DIRECTORS

22 Sec. 3812.051. BOARD OF DIRECTORS; TERMS

23 Sec. 3812.052. APPOINTMENT OF DIRECTORS

24 Sec. 3812.053. INITIAL DIRECTORS

25 [Sections 3812.054-3812.100 reserved for expansion]

26 SUBCHAPTER C. POWERS AND DUTIES

27 Sec. 3812.101. DISTRICT POWERS

1 Sec. 3812.102. NONPROFIT CORPORATION

2 Sec. 3812.103. CONTRACTS; GRANTS

3 [Sections 3812.104-3812.150 reserved for expansion]

4 SUBCHAPTER D. FINANCIAL PROVISIONS

5 Sec. 3812.151. PETITION REQUIRED FOR FINANCING SERVICES  
6 AND IMPROVEMENTS

7 Sec. 3812.152. DISBURSEMENTS AND TRANSFERS OF MONEY

8 Sec. 3812.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
9 ASSESSMENTS, OR IMPACT FEES

10 Sec. 3812.154. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
11 ASSESSMENTS, AND IMPACT FEES

12 Sec. 3812.155. MAINTENANCE TAX

13 Sec. 3812.156. ASSESSMENTS; LIENS FOR ASSESSMENTS

14 Sec. 3812.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES,  
15 AND ASSESSMENTS

16 Sec. 3812.158. OBLIGATIONS; APPROVAL BY CITY OF  
17 HOUSTON

18 Sec. 3812.159. ELECTIONS REGARDING TAXES OR BONDS

19 [Sections 3812.160-3812.200 reserved for expansion]

20 SUBCHAPTER E. DISSOLUTION

21 Sec. 3812.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
22 DEBT

23 CHAPTER 3812. GREATER NORTHSIDE MANAGEMENT DISTRICT

24 SUBCHAPTER A. GENERAL PROVISIONS

25 Sec. 3812.001. DEFINITIONS. In this chapter:

26 (1) "Board" means the board of directors of the  
27 district.

1           (2) "District" means the Greater Northside Management  
2 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
3 77th Leg., R.S., Ch. 1356.)

4           Sec. 3812.002. GREATER NORTHSIDE MANAGEMENT DISTRICT. The  
5 Greater Northside Management District is a special district created  
6 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
7 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1356.)

8           Sec. 3812.003. PURPOSE; DECLARATION OF INTENT. (a) The  
9 creation of the district is essential to accomplish the purposes of  
10 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
11 Texas Constitution, and other public purposes stated in this  
12 chapter.

13           (b) The creation of the district is necessary to promote,  
14 develop, encourage, and maintain employment, commerce,  
15 transportation, housing, tourism, recreation, the arts,  
16 entertainment, economic development, safety, and the public  
17 welfare in the north side of the city of Houston.

18           (c) This chapter and the creation of the district may not be  
19 interpreted to relieve Harris County or the City of Houston from  
20 providing the level of services provided as of June 16, 2001, to the  
21 area in the district or to release the county or the city from the  
22 obligations of each entity to provide services to that area. The  
23 district is created to supplement and not to supplant the county or  
24 city services provided in the area in the district. (Loc. Gov.  
25 Code, Sec. 376.452, as added Acts 77th Leg., R.S., Ch. 1356.)

26           Sec. 3812.004. FINDINGS OF BENEFIT AND PUBLIC  
27 PURPOSE. (a) The district is created to serve a public use and

1 benefit.

2 (b) All land and other property included in the district  
3 will benefit from the improvements and services to be provided by  
4 the district under powers conferred by Sections 52 and 52-a,  
5 Article III, and Section 59, Article XVI, Texas Constitution, and  
6 other powers granted under this chapter.

7 (c) The creation of the district is in the public interest  
8 and is essential to:

9 (1) further the public purposes of developing and  
10 diversifying the economy of the state;

11 (2) eliminate unemployment and underemployment; and

12 (3) develop or expand transportation and commerce.

13 (d) The district will:

14 (1) promote the health, safety, and general welfare of  
15 residents, employers, potential employees, employees, visitors,  
16 and consumers in the district, and of the public;

17 (2) provide needed funding to preserve, maintain, and  
18 enhance the economic health and vitality of the district as a  
19 community and business center; and

20 (3) promote the health, safety, welfare, and enjoyment  
21 of the public by providing pedestrian ways and by landscaping and  
22 developing certain areas in the district, which are necessary for  
23 the restoration, preservation, and enhancement of scenic beauty.

24 (e) Pedestrian ways along or across a street, whether at  
25 grade or above or below the surface, and street lighting, street  
26 landscaping, and street art objects are parts of and necessary  
27 components of a street and are considered to be a street or road

1 improvement.

2 (f) The district will not act as the agent or  
3 instrumentality of any private interest even though the district  
4 will benefit many private interests as well as the public. (Loc.  
5 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1356.)

6 Sec. 3812.005. DISTRICT TERRITORY. (a) The district is  
7 composed of the territory described by Chapter 1356, Acts of the  
8 77th Legislature, Regular Session, 2001, enacting former Section  
9 376.454, Local Government Code, as that territory may have been  
10 modified under:

11 (1) Subchapter J, Chapter 49, Water Code; or

12 (2) other law.

13 (b) The boundaries and field notes of the district contained  
14 in Chapter 1356, Acts of the 77th Legislature, Regular Session,  
15 2001, enacting former Section 376.454, Local Government Code, form  
16 a closure. A mistake in the field notes or in copying the field  
17 notes in the legislative process does not in any way affect the  
18 district's:

19 (1) organization, existence, or validity;

20 (2) right to issue any type of bond for a purpose for  
21 which the district is created or to pay the principal of and  
22 interest on the bond;

23 (3) right to impose or collect an assessment or tax; or

24 (4) legality or operation. (Loc. Gov. Code, Sec.  
25 376.455, as added Acts 77th Leg., R.S., Ch. 1356; New.)

26 Sec. 3812.006. APPLICABILITY OF OTHER LAW. Except as  
27 otherwise provided by this chapter, Chapter 375, Local Government



1 Code, applies to the district. (Loc. Gov. Code, Secs. 376.457,  
2 376.461 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

3 Sec. 3812.007. RELATION TO OTHER LAW. This chapter  
4 prevails over any provision of general law, including a law to which  
5 this chapter refers, that is in conflict with or is inconsistent  
6 with this chapter. (Loc. Gov. Code, Sec. 376.464 (part), as added  
7 Acts 77th Leg., R.S., Ch. 1356.)

8 Sec. 3812.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
9 chapter shall be liberally construed in conformity with the  
10 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
11 376.458, as added Acts 77th Leg., R.S., Ch. 1356.)

12 [Sections 3812.009-3812.050 reserved for expansion]

13 SUBCHAPTER B. BOARD OF DIRECTORS

14 Sec. 3812.051. BOARD OF DIRECTORS; TERMS. (a) The  
15 district is governed by a board of 11 directors who serve staggered  
16 terms of four years with five directors' terms expiring June 1 of an  
17 odd-numbered year and six directors' terms expiring June 1 of the  
18 following odd-numbered year.

19 (b) The board by resolution may increase or decrease the  
20 number of directors on the board, but only if it is in the best  
21 interest of the district to do so. The board may not:

22 (1) increase the number of directors to more than 30;  
23 or

24 (2) decrease the number of directors to fewer than  
25 nine. (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th Leg.,  
26 R.S., Ch. 1356.)

27 Sec. 3812.052. APPOINTMENT OF DIRECTORS. The mayor and

members of the governing body of the City of Houston shall appoint directors from persons recommended by the board who meet the qualifications prescribed by Subchapter D, Chapter 375, Local Government Code. (Loc. Gov. Code, Sec. 376.460(a), as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.053. INITIAL DIRECTORS. (a) The initial board consists of the following persons:

Pos. No.	Name of Director
1	Jeanette Rash
2	Lisa Cabral
3	Rodrigo Gonzalez
4	Toy Brando Halsey
5	Dr. John Perez
6	Leticia Elias
7	Sam Treynor
8	Candy Perez
9	Dr. San Juanita Garza
10	Jesse Tanner
11	Frumencio Reyes

(b) The terms of the initial directors appointed for positions 1 through 5 expire on June 1, 2003, and the terms of the initial directors appointed for positions 6 through 11 expire on June 1, 2005.

(c) Section 3812.052 does not apply to this section.

(d) This section expires September 1, 2006. (Loc. Gov. Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 1356.)

[Sections 3812.054-3812.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3812.101. DISTRICT POWERS. The district has:

(1) all powers necessary to accomplish the purposes for which the district was created; and

(2) the powers given to a corporation under Section 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes), and the power to own, operate, acquire, construct, lease, improve, and maintain projects. (Loc. Gov. Code, Sec. 376.461 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.102. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered for purposes of this chapter to be a local government corporation created under Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as, for the same term as, and on the same conditions as the board of directors of a local government corporation created under Chapter 431, Transportation Code. (Loc. Gov. Code, Sec. 376.466, as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.103. CONTRACTS; GRANTS. (a) To protect the

1 public interest, the district may contract with Harris County or  
2 the City of Houston for the county or the city to provide law  
3 enforcement services in the district for a fee.

4 (b) Harris County, the City of Houston, or another political  
5 subdivision of this state, without further authorization, may  
6 contract with the district to implement a project of the district or  
7 assist the district in providing a service authorized under this  
8 chapter. A contract under this subsection may:

- 9 (1) be for a period on which the parties agree;  
10 (2) include terms on which the parties agree;  
11 (3) be payable from taxes or any other source of  
12 revenue that may be available for that project or service; and  
13 (4) provide terms under which taxes or other revenue  
14 collected at a district project or from a person using or purchasing  
15 a commodity or service at a district project may be paid or rebated  
16 to the district.

17 (c) The district may enter into a contract, lease, or other  
18 agreement with or make or accept a grant or loan to or from any  
19 person, including:

- 20 (1) the United States;  
21 (2) this state or a state agency;  
22 (3) any political subdivision of this state; and  
23 (4) a public or private corporation, including a  
24 nonprofit corporation created by the board under this subchapter.

25 (d) The district may perform all acts necessary for the full  
26 exercise of the powers vested in the district on terms and for the  
27 period the board determines advisable. (Loc. Gov. Code, Sec.

376.475, as added Acts 77th Leg., R.S., Ch. 1356.)

[Sections 3812.104-3812.150 reserved for expansion]

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3812.151. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS. (a) The board may not finance a service or improvement project under this chapter unless a written petition requesting that service or improvement is filed with the board.

(b) The petition must be signed by:

(1) the owners of a majority of the assessed value of real property in the district according to the most recent certified tax appraisal roll for Harris County; or

(2) at least 50 owners of land in the district, if more than 50 persons own property in the district according to the most recent certified tax appraisal roll for Harris County. (Loc. Gov. Code, Sec. 376.465, as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money. (Loc. Gov. Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.153. BOARD VOTE REQUIRED TO IMPOSE TAXES, ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment, or impact fee requires a vote of a majority of the directors serving. (Loc. Gov. Code, Sec. 376.459(b) (part), as added Acts 77th Leg., R.S., Ch. 1356.)

Sec. 3812.154. AUTHORITY TO IMPOSE AD VALOREM TAXES, ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem

1 tax, assessment, or impact fee as provided by Chapter 375, Local  
2 Government Code, to provide an improvement or service for a project  
3 or activity the district may acquire, construct, improve, or  
4 provide under this chapter. (Loc. Gov. Code, Sec. 376.461 (part),  
5 as added Acts 77th Leg., R.S., Ch. 1356.)

6 Sec. 3812.155. MAINTENANCE TAX. (a) If authorized at an  
7 election held in accordance with Section 3812.159, the district may  
8 impose an annual ad valorem tax on taxable property in the district  
9 to:

10 (1) maintain and operate the district and the  
11 improvements constructed or acquired by the district; or

12 (2) provide a service.

13 (b) The board shall determine the tax rate. (Loc. Gov.  
14 Code, Sec. 376.473, as added Acts 77th Leg., R.S., Ch. 1356.)

15 Sec. 3812.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
16 The board by resolution may impose and collect an assessment for any  
17 purpose authorized by this chapter.

18 (b) An assessment, a reassessment, or an assessment  
19 resulting from an addition to or correction of the assessment roll  
20 by the district, penalties and interest on an assessment or  
21 reassessment, an expense of collection, and reasonable attorney's  
22 fees incurred by the district:

23 (1) are a first and prior lien against the property  
24 assessed;

25 (2) are superior to any other lien or claim other than  
26 a lien or claim for county, school district, or municipal ad valorem  
27 taxes; and

1           (3) are the personal liability of and a charge against  
2 the owners of the property even if the owners are not named in the  
3 assessment proceeding.

4           (c) The lien is effective from the date of the board's  
5 resolution imposing the assessment until the date the assessment is  
6 paid. The board may enforce the lien in the same manner that the  
7 board may enforce an ad valorem tax lien against real property.

8           (d) The board may correct, add to, or delete assessments  
9 from its assessment rolls after notice and hearing as provided by  
10 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,  
11 Secs. 376.461 (part), 376.469 (part), as added Acts 77th Leg.,  
12 R.S., Ch. 1356.)

13           Sec. 3812.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
14 ASSESSMENTS. (a) The district may not impose a tax, impact fee,  
15 or assessment on a residential property, multiunit residential  
16 property, or condominium.

17           (b) The district may not impose an impact fee or assessment  
18 on the property, equipment, or facilities of a person that provides  
19 to the public cable television, gas, light, power, telephone,  
20 sewage, or water service. (Loc. Gov. Code, Secs. 376.453(5),  
21 376.470, as added Acts 77th Leg., R.S., Ch. 1356.)

22           Sec. 3812.158. OBLIGATIONS; APPROVAL BY CITY OF  
23 HOUSTON. (a) The district may issue bonds or other obligations  
24 payable in whole or in part from ad valorem taxes, assessments,  
25 impact fees, revenue, grants, or other money of the district, or any  
26 combination of those sources of money, to pay for any authorized  
27 purpose of the district.

1           (b) In exercising the district's borrowing power, the  
2 district may issue a bond or other obligation in the form of a bond,  
3 note, certificate of participation or other instrument evidencing a  
4 proportionate interest in payments to be made by the district, or  
5 other type of obligation.

6           (c) Except as provided by Subsection (d), the district must  
7 obtain the approval of the City of Houston:

8                 (1) for the issuance of a bond for each improvement  
9 project;

10                (2) of the plans and specifications of the improvement  
11 project to be financed by the bond; and

12                (3) of the plans and specifications of a district  
13 improvement project related to:

14                         (A) the use of land owned by the City of Houston;

15                         (B) an easement granted by the City of Houston;

16 or

17                         (C) a right-of-way of a street, road, or highway.

18           (d) If the district obtains the approval of the City of  
19 Houston of a capital improvements budget for a specified period not  
20 to exceed five years, the district may finance the capital  
21 improvements and issue bonds specified in the budget without  
22 further approval from the City of Houston. (Loc. Gov. Code, Sec.  
23 376.468, as added Acts 77th Leg., R.S., Ch. 1356.)

24           Sec. 3812.159. ELECTIONS                 REGARDING                 TAXES                 OR  
25 BONDS. (a) In addition to the election required under Subchapter  
26 L, Chapter 375, Local Government Code, the district must hold an  
27 election in the manner provided by that subchapter to obtain voter



1 approval before the district may:

2 (1) impose a maintenance tax; or

3 (2) issue a bond payable from ad valorem taxes or  
4 assessments.

5 (b) The board may submit multiple purposes in a single  
6 proposition at an election. (Loc. Gov. Code, Sec. 376.471, as added  
7 Acts 77th Leg., R.S., Ch. 1356.)

8 [Sections 3812.160-3812.200 reserved for expansion]

9 SUBCHAPTER E. DISSOLUTION

10 Sec. 3812.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
11 DEBT. If the district has debt when it is dissolved, the district  
12 shall remain in existence solely for the purpose of discharging its  
13 bonds or other obligations according to their terms. (Loc. Gov.  
14 Code, Sec. 376.474 (part), as added Acts 77th Leg., R.S., Ch. 1356.)

15 CHAPTER 3813. OLD TOWN SPRING IMPROVEMENT DISTRICT

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 3813.001. DEFINITIONS

18 Sec. 3813.002. OLD TOWN SPRING IMPROVEMENT DISTRICT

19 Sec. 3813.003. PURPOSE; DECLARATION OF INTENT

20 Sec. 3813.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE;

21 GENERAL DUTIES

22 Sec. 3813.005. DISTRICT TERRITORY

23 [Sections 3813.006-3813.050 reserved for expansion]

24 SUBCHAPTER B. BOARD OF DIRECTORS

25 Sec. 3813.051. BOARD OF DIRECTORS

26 Sec. 3813.052. ELECTION OF DIRECTORS

27 Sec. 3813.053. LAW GOVERNING ADMINISTRATION OF BOARD

1 Sec. 3813.054. VOTING BY BOARD PRESIDENT RESTRICTED

2 [Sections 3813.055-3813.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Sec. 3813.101. DISTRICT POWERS

5 Sec. 3813.102. RELATION TO OTHER LAW

6 Sec. 3813.103. RULES

7 Sec. 3813.104. SPECIFIC POWERS RELATING TO IMPROVEMENT

8 PROJECTS OR SERVICES

9 Sec. 3813.105. LEASE, ACQUISITION, OR CONSTRUCTION OF

10 BUILDING OR FACILITY; ECONOMIC DEVELOPMENT

11 PROGRAMS

12 Sec. 3813.106. CONTRACTS; GRANTS; DONATIONS

13 Sec. 3813.107. ANNEXATION OR EXCLUSION OF TERRITORY

14 Sec. 3813.108. EMINENT DOMAIN

15 Sec. 3813.109. PEACE OFFICERS

16 [Sections 3813.110-3813.150 reserved for expansion]

17 SUBCHAPTER D. FINANCIAL PROVISIONS

18 Sec. 3813.151. SALES AND USE TAX; EXCISE TAX

19 Sec. 3813.152. TAX ELECTION PROCEDURES

20 Sec. 3813.153. BALLOT WORDING

21 Sec. 3813.154. IMPOSITION, COMPUTATION, ADMINISTRATION,

22 AND GOVERNANCE OF TAXES

23 Sec. 3813.155. TAX RATES

24 Sec. 3813.156. ABOLITION OF TAX

25 Sec. 3813.157. USE OF TAXES

26 Sec. 3813.158. EFFECTIVE DATE OF TAX OR TAX CHANGE

27 Sec. 3813.159. AD VALOREM TAX PROHIBITED

1 Sec. 3813.160. FEES; CHARGES

2 Sec. 3813.161. BORROWING MONEY

3 Sec. 3813.162. PAYMENT OF EXPENSES

4 Sec. 3813.163. BONDS

5 [Sections 3813.164-3813.200 reserved for expansion]

6 SUBCHAPTER E. DISSOLUTION

7 Sec. 3813.201. DISSOLUTION BY BOARD ORDER

8 Sec. 3813.202. DISSOLUTION BY PETITION OF OWNERS

9 Sec. 3813.203. ADMINISTRATION OF DISTRICT PROPERTY

10 FOLLOWING DISSOLUTION

11 CHAPTER 3813. OLD TOWN SPRING IMPROVEMENT DISTRICT

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 3813.001. DEFINITIONS. In this chapter:

14 (1) "Board" means the board of directors of the  
15 district.

16 (2) "District" means the Old Town Spring Improvement  
17 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
18 77th Leg., R.S., Ch. 1371.)

19 Sec. 3813.002. OLD TOWN SPRING IMPROVEMENT DISTRICT. The  
20 Old Town Spring Improvement District is a special district created  
21 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
22 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1371.)

23 Sec. 3813.003. PURPOSE; DECLARATION OF INTENT. (a) The  
24 creation of the district is essential to accomplish the purposes of  
25 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
26 Texas Constitution, and other public purposes stated in this  
27 chapter.

1           (b) The creation of the district is necessary to promote,  
2 develop, encourage, and maintain employment, commerce,  
3 transportation, housing, tourism, recreation, the arts,  
4 entertainment, economic development, safety, scenic beauty, and  
5 the public welfare in the Old Town Spring area of Harris County.

6           (c) This chapter and the creation of the district do not  
7 relieve Harris County from providing the level of services provided  
8 as of September 1, 2001, to the area in the district. The district  
9 is created to supplement and not to replace the county services  
10 provided in the area in the district. (Loc. Gov. Code, Sec.  
11 376.452, as added Acts 77th Leg., R.S., Ch. 1371.)

12           Sec. 3813.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE;  
13 GENERAL DUTIES. (a) The district is created to serve a public use  
14 and benefit.

15           (b) All land and other property included in the district  
16 will benefit from the improvements and services to be provided by  
17 the district under powers conferred by Sections 52 and 52-a,  
18 Article III, and Section 59, Article XVI, Texas Constitution, and  
19 other powers granted under this chapter.

20           (c) The creation of the district is in the public interest  
21 and is essential to:

22                   (1) further the public purposes of developing and  
23 diversifying the economy of the state;

24                   (2) eliminate unemployment and underemployment; and

25                   (3) develop or expand transportation and commerce.

26           (d) The district shall:

27                   (1) promote the health, safety, and general welfare of

1 residents, merchants, landowners, employers, potential employees,  
2 employees, visitors, and consumers in the district, and of the  
3 public;

4 (2) provide needed funding for the Old Town Spring  
5 area to preserve, maintain, and enhance the economic health and  
6 vitality of the area as a community and business center;

7 (3) provide and maintain common areas and facilities  
8 in the district to ensure scenic beauty;

9 (4) provide improvements in the district to promote  
10 the welfare of the public, residents, merchants, and landowners in  
11 the district; and

12 (5) promote the health, safety, welfare, and enjoyment  
13 of the public by providing pedestrian ways and by landscaping and  
14 developing certain areas in the district, which are necessary for  
15 the restoration, preservation, and enhancement of scenic beauty.

16 (e) The district may not act as the agent or instrumentality  
17 of any private interest even though the district will benefit many  
18 private interests as well as the public. (Loc. Gov. Code, Sec.  
19 376.456, as added Acts 77th Leg., R.S., Ch. 1371.)

20 Sec. 3813.005. DISTRICT TERRITORY. (a) The district is  
21 composed of the territory described by Section 1, Chapter 1371,  
22 Acts of the 77th Legislature, Regular Session, 2001, enacting  
23 former Section 376.454, Local Government Code, as that territory  
24 may have been modified under:

25 (1) Section 3813.107(a) or its predecessor statute,  
26 former Section 376.462(a)(3), Local Government Code, as added by  
27 Chapter 1371, Acts of the 77th Legislature, Regular Session, 2001;

1           (2) Subchapter J, Chapter 49, Water Code; or

2           (3) other law.

3           (b) The boundaries and field notes of the district contained  
4 in Section 1, Chapter 1371, Acts of the 77th Legislature, Regular  
5 Session, 2001, enacting former Section 376.454, Local Government  
6 Code, form a closure. A mistake in the field notes or in copying the  
7 field notes in the legislative process does not in any way affect  
8 the district's:

9           (1) organization, existence, or validity;

10           (2) right to issue any type of bond for a purpose for  
11 which the district is created or to pay the principal of and  
12 interest on the bond;

13           (3) right to impose or collect an assessment or tax; or

14           (4) legality or operation. (Loc. Gov. Code, Sec.  
15 376.455, as added Acts 77th Leg., R.S., Ch. 1371; New.)

16           [Sections 3813.006-3813.050 reserved for expansion]

17           SUBCHAPTER B. BOARD OF DIRECTORS

18           Sec. 3813.051. BOARD OF DIRECTORS. (a) The district is  
19 governed by a board of five directors who occupy numbered  
20 positions. The directors occupying positions one, two, and three  
21 are appointed under this section, and the directors occupying  
22 positions four and five are elected as provided by this section and  
23 Section 3813.052.

24           (b) The Commissioners Court of Harris County shall appoint:

25           (1) one person who leases a retail store or who owns  
26 real property in the district to serve in position one for a  
27 three-year term;

1           (2) one person who leases a retail store but does not  
2 own real property in the district to serve in position two for a  
3 two-year term; and

4           (3) one person who owns real property in the district  
5 to serve in position three for a three-year term.

6           (c) A director elected under Section 3813.052 serves a  
7 two-year term. To qualify as a candidate for position four, a  
8 person must reside in the district. To qualify as a candidate for  
9 position five, a person must lease a retail store or own real  
10 property in the district.

11          (d) A term expires on January 31 of the appropriate year.

12          (e) In appointing directors under Subsection (b), the  
13 commissioners court shall consider any recommendation received by  
14 an organization dedicated to the economic development of the Old  
15 Town Spring area. (Loc. Gov. Code, Sec. 376.457, as added Acts 77th  
16 Leg., R.S., Ch. 1371.)

17          Sec. 3813.052. ELECTION OF DIRECTORS. (a) The board shall  
18 hold an election of directors for positions four and five in each  
19 even-numbered year on the uniform election date in February  
20 established by Section 41.001, Election Code.

21          (b) In addition to the contents required by the Election  
22 Code, notice of a directors' election must:

23               (1) state the number of directors to be voted on; and

24               (2) describe the qualifications for each position for  
25 which a candidate is running.

26          (c) In addition to requirements prescribed by the Election  
27 Code, the ballots for a directors' election shall describe the

1 qualifications of the position for which each candidate is running.

2 (d) The board shall certify that the person receiving the  
3 highest number of votes for each position is elected as the director  
4 for that position. (Loc. Gov. Code, Sec. 376.460, as added Acts  
5 77th Leg., R.S., Ch. 1371.)

6 Sec. 3813.053. LAW GOVERNING ADMINISTRATION OF BOARD.  
7 Sections 375.066-375.070, Local Government Code, apply to the board  
8 as if it were established under Chapter 375 of that code. (Loc.  
9 Gov. Code, Sec. 376.458, as added Acts 77th Leg., R.S., Ch. 1371.)

10 Sec. 3813.054. VOTING BY BOARD PRESIDENT RESTRICTED. The  
11 board president may not vote except to break a tie vote. (Loc. Gov.  
12 Code, Sec. 376.459, as added Acts 77th Leg., R.S., Ch. 1371.)

13 [Sections 3813.055-3813.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 3813.101. DISTRICT POWERS. The district has:

16 (1) all powers necessary to accomplish the purposes  
17 for which the district was created;

18 (2) the powers and duties of a municipal management  
19 district under Subchapter E, Chapter 375, Local Government Code;  
20 and

21 (3) the powers given to an industrial development  
22 corporation organized under the Development Corporation Act of 1979  
23 (Article 5190.6, Vernon's Texas Civil Statutes). (Loc. Gov. Code,  
24 Sec. 376.461, as added Acts 77th Leg., R.S., Ch. 1371.)

25 Sec. 3813.102. RELATION TO OTHER LAW. This chapter  
26 prevails over a law to which Section 3813.101 or Subchapter E,  
27 Chapter 375, Local Government Code, refers that is in conflict with



1 or is inconsistent with this chapter. (Loc. Gov. Code, Sec. 376.464  
2 (part), as added Acts 77th Leg., R.S., Ch. 1371.)

3 Sec. 3813.103. RULES. The district may adopt rules for:

- 4 (1) the administration and operation of the district;  
5 (2) the use, enjoyment, availability, protection,  
6 security, and maintenance of the district's facilities; and  
7 (3) the provision of public safety and security in the  
8 district. (Loc. Gov. Code, Sec. 376.462(a) (part), as added Acts  
9 77th Leg., R.S., Ch. 1371.)

10 Sec. 3813.104. SPECIFIC POWERS RELATING TO IMPROVEMENT  
11 PROJECTS OR SERVICES. (a) The district may undertake an  
12 improvement project separately or jointly with another person and  
13 pay all or part of the costs of an improvement project, including an  
14 improvement project that:

- 15 (1) improves, enhances, or supports public safety and  
16 security, fire protection, emergency medical services, or law  
17 enforcement in the district;  
18 (2) confers a general benefit on the entire district  
19 and the areas adjacent to the district; or  
20 (3) confers a special benefit on all or part of the  
21 district.

22 (b) A district improvement project or service may include:

- 23 (1) the construction, acquisition, lease, rental,  
24 installment purchase, improvement, rehabilitation, repair,  
25 relocation, and operation of:

- 26 (A) landscaping; lighting, banners, or signs;  
27 streets or sidewalks; pedestrian or bicycle paths and trails;

1 pedestrian walkways, skywalks, crosswalks, or tunnels; and highway  
2 right-of-way or transit corridor beautification and improvements;

3 (B) drainage or storm water detention  
4 improvements and solid waste, water, sewer, or power facilities and  
5 services, including electrical, gas, steam, and chilled water  
6 facilities and services;

7 (C) parks, lakes, gardens, recreational  
8 facilities, open space, scenic areas, and related exhibits and  
9 preserves; fountains, plazas, or pedestrian malls; public art or  
10 sculpture and related exhibits and facilities and educational or  
11 cultural exhibits and facilities, including exhibits, displays,  
12 attractions, or facilities for special events, holidays, or  
13 seasonal or cultural celebrations;

14 (D) off-street parking facilities, bus  
15 terminals, heliports, mass transit, and roadway or water  
16 transportation systems; and

17 (E) other public improvements, facilities, or  
18 services similar to the improvements, facilities, or services  
19 described by Paragraphs (A)-(D);

20 (2) the cost of removing, razing, demolishing, or  
21 clearing of land or improvements in connection with providing an  
22 improvement project;

23 (3) the acquisition of property or an interest in the  
24 property that is made in connection with an improvement project;  
25 and

26 (4) the provision of special or supplemental services  
27 to improve or promote the area in the district or to protect the

1 public health and safety in the district, including advertising,  
2 promotion, tourism, health and sanitation, public safety,  
3 security, fire protection or emergency medical services, business  
4 recruitment, development, elimination of traffic congestion, and  
5 recreational, educational, or cultural improvements, enhancements,  
6 or services. (Loc. Gov. Code, Secs. 376.462(a) (part), 376.463, as  
7 added Acts 77th Leg., R.S., Ch. 1371.)

8       Sec. 3813.105. LEASE, ACQUISITION, OR CONSTRUCTION OF  
9 BUILDING OR FACILITY; ECONOMIC DEVELOPMENT PROGRAMS. The district  
10 may, as if the district were a home-rule municipality with a  
11 population of more than 100,000:

12           (1) issue bonds and lease, acquire, or construct a  
13 building or facility as provided by Subchapter A, Chapter 1509,  
14 Government Code; and

15           (2) establish and administer a program as provided by  
16 Section 380.002, Local Government Code. (Loc. Gov. Code, Sec.  
17 376.462(d), as added Acts 77th Leg., R.S., Ch. 1371.)

18       Sec. 3813.106. CONTRACTS; GRANTS; DONATIONS. (a) The  
19 district may contract with any person to accomplish the purposes of  
20 this chapter on terms and for the period the board determines,  
21 including contracting for the payment of costs incurred by the  
22 person on behalf of the district, including all or part of the costs  
23 of an improvement project, from tax proceeds or any other specified  
24 source of money.

25           (b) The district may contract with a person to receive,  
26 administer, and perform the district's duties under a gift, grant,  
27 loan, conveyance, transfer, bequest, donation, or other financial

1 arrangement relating to the investigation, planning, analysis,  
2 acquisition, construction, completion, implementation, or  
3 operation of a proposed or existing improvement project.

4 (c) Any person, including any type of governmental entity,  
5 may contract with the district to carry out the purposes of this  
6 chapter. (Loc. Gov. Code, Secs. 376.462(a) (part), 376.475, as  
7 added Acts 77th Leg., R.S., Ch. 1371.)

8 Sec. 3813.107. ANNEXATION OR EXCLUSION OF  
9 TERRITORY. (a) The district may add or exclude territory in the  
10 manner provided by Subchapter J, Chapter 49, Water Code.

11 (b) Not later than the 10th day after the date on which the  
12 district annexes or excludes territory, the board shall send to the  
13 comptroller a certified copy of any resolution, order, or ordinance  
14 relating to the annexation or exclusion. (Loc. Gov. Code, Secs.  
15 376.462(a) (part), 376.473, as added Acts 77th Leg., R.S., Ch.  
16 1371.)

17 Sec. 3813.108. EMINENT DOMAIN. The district may not  
18 exercise the power of eminent domain. (Loc. Gov. Code, Sec.  
19 376.465, as added Acts 77th Leg., R.S., Ch. 1371.)

20 Sec. 3813.109. PEACE OFFICERS. The district may not employ  
21 peace officers. (Loc. Gov. Code, Sec. 376.462(b), as added Acts  
22 77th Leg., R.S., Ch. 1371.)

23 [Sections 3813.110-3813.150 reserved for expansion]

24 SUBCHAPTER D. FINANCIAL PROVISIONS

25 Sec. 3813.151. SALES AND USE TAX; EXCISE TAX. (a) For  
26 purposes of this section:

27 (1) "Taxable items" includes all items subject to a

1 sales and use tax that is imposed by Harris County.

2 (2) "Use," with respect to a taxable service, means  
3 the derivation in the district of a direct or indirect benefit from  
4 the service.

5 (b) The district may impose a sales and use tax if  
6 authorized by a majority vote at an election held for that purpose.

7 (c) If the district adopts a sales and use tax:

8 (1) the tax is imposed on the receipts from the sale at  
9 retail of taxable items in the district; and

10 (2) an excise tax is imposed on the use, storage, or  
11 other consumption in the district of taxable items purchased or  
12 rented from a retailer during the period in which the sales and use  
13 tax is effective in the district.

14 (d) The rate of the excise tax is the same as the rate of the  
15 sales tax portion of the tax applied to the sales price of the  
16 taxable items and is included in the sales tax. (Loc. Gov. Code,  
17 Secs. 376.462(a) (part), 376.466(a), (b) (part), (c), (d), as added  
18 Acts 77th Leg., R.S., Ch. 1371.)

19 Sec. 3813.152. TAX ELECTION PROCEDURES. (a) The board  
20 may order an election to adopt, change the rate of, or abolish a  
21 sales and use tax. The election may be held at the same time and in  
22 conjunction with a directors' election.

23 (b) The election must be held on the next uniform election  
24 date that falls on or after the 45th day after the date the election  
25 order is adopted.

26 (c) Notice of the election shall be given and the election  
27 shall be held in the manner prescribed for a bond election by

1 Subchapter D, Chapter 49, Water Code. (Loc. Gov. Code, Secs.  
2 376.467(a), (b), (c), as added Acts 77th Leg., R.S., Ch. 1371.)

3 Sec. 3813.153. BALLOT WORDING. (a) In an election to  
4 adopt a sales and use tax, the ballot shall be prepared to permit  
5 voting for or against the proposition: "The adoption of a local  
6 sales and use tax in the Old Town Spring Improvement District at the  
7 rate of (proposed tax rate)."

8 (b) In an election to change the rate of the sales and use  
9 tax, the ballot shall be prepared to permit voting for or against  
10 the proposition: "The (increase or decrease, as applicable) in the  
11 rate of the local sales and use tax imposed in the Old Town Spring  
12 Improvement District from (tax rate on election date) percent to  
13 (proposed tax rate) percent."

14 (c) In an election to abolish the sales and use tax, the  
15 ballot shall be prepared to permit voting for or against the  
16 proposition: "The abolition of the local sales and use tax in the  
17 Old Town Spring Improvement District." (Loc. Gov. Code, Secs.  
18 376.467(d), (e), (f), as added Acts 77th Leg., R.S., Ch. 1371.)

19 Sec. 3813.154. IMPOSITION, COMPUTATION, ADMINISTRATION,  
20 AND GOVERNANCE OF TAXES. (a) Chapter 323, Tax Code, to the extent  
21 not inconsistent with this chapter, governs the application,  
22 collection, and administration of the sales and use tax and the  
23 excise tax, except that Sections 323.401-323.406 and 323.505, Tax  
24 Code, do not apply. Subtitles A and B, Title 2, and Chapter 151, Tax  
25 Code, govern the administration and enforcement of the sales and  
26 use tax and the excise tax.

27 (b) Chapter 323, Tax Code, does not apply to the use and

1 allocation of revenues under this chapter.

2 (c) In applying Chapter 323, Tax Code:

3 (1) a reference in that chapter to "the county" means  
4 the district; and

5 (2) a reference in that chapter to "the commissioners  
6 court" means the board. (Loc. Gov. Code, Sec. 376.468, as added  
7 Acts 77th Leg., R.S., Ch. 1371.)

8 Sec. 3813.155. TAX RATES. The district may impose the sales  
9 and use tax and the excise tax in increments of one-eighth of one  
10 percent, with a minimum tax of one-half percent and a maximum tax of  
11 one percent. (Loc. Gov. Code, Sec. 376.470, as added Acts 77th  
12 Leg., R.S., Ch. 1371.)

13 Sec. 3813.156. ABOLITION OF TAX. The board by order and  
14 without an election may abolish the sales and use tax and the excise  
15 tax. (Loc. Gov. Code, Sec. 376.471, as added Acts 77th Leg., R.S.,  
16 Ch. 1371.)

17 Sec. 3813.157. USE OF TAXES. The district may use the  
18 proceeds from the sales and use tax and the excise tax only for the  
19 purposes for which the district was created. (Loc. Gov. Code, Secs.  
20 376.462(a) (part), 376.466(b) (part), 376.472, as added Acts 77th  
21 Leg., R.S., Ch. 1371.)

22 Sec. 3813.158. EFFECTIVE DATE OF TAX OR TAX CHANGE. The  
23 adoption of a tax rate or a change in the tax rate takes effect after  
24 the expiration of the first complete calendar quarter occurring  
25 after the date on which the comptroller receives a notice of the  
26 results of the election. (Loc. Gov. Code, Sec. 376.469, as added  
27 Acts 77th Leg., R.S., Ch. 1371.)

1           Sec. 3813.159. AD VALOREM TAX PROHIBITED. The district may  
2 not impose an ad valorem tax on property in the district. (Loc.  
3 Gov. Code, Sec. 376.462(c), as added Acts 77th Leg., R.S., Ch.  
4 1371.)

5           Sec. 3813.160. FEES; CHARGES. The district may:

6                 (1) establish and collect user fees, concession fees,  
7 admission fees, rental fees, or other similar fees or charges; and

8                 (2) apply the proceeds from those fees or charges for  
9 the enjoyment, sale, rental, or other use of the district's  
10 facilities, services, or improvement projects. (Loc. Gov. Code,  
11 Sec. 376.462(a) (part), as added Acts 77th Leg., R.S., Ch. 1371.)

12           Sec. 3813.161. BORROWING MONEY. The district may borrow  
13 money for the corporate purposes of the district. (Loc. Gov. Code,  
14 Sec. 376.462(a) (part), as added Acts 77th Leg., R.S., Ch. 1371.)

15           Sec. 3813.162. PAYMENT OF EXPENSES. The district may  
16 provide or secure the payment or repayment of any district expense,  
17 including:

18                 (1) a district cost relating to an improvement  
19 project;

20                 (2) a district contractual obligation or  
21 indebtedness, because of a lease, installment purchase contract, or  
22 other agreement; or

23                 (3) a tax, user fee, concession fee, rental fee, or  
24 other revenue or resources of the district. (Loc. Gov. Code, Sec.  
25 376.462(a) (part), as added Acts 77th Leg., R.S., Ch. 1371.)

26           Sec. 3813.163. BONDS. (a) The board may issue bonds as  
27 provided by Subchapter J, Chapter 375, Local Government Code.



1           (b) In addition to the sources described in Subchapter J,  
2 Chapter 375, Local Government Code, bonds issued by the district  
3 may be secured and made payable, in whole or in part, by a pledge of  
4 any part of the net proceeds the district receives from a specified  
5 portion of not more than one-half of the district's maximum sales  
6 and use tax amount authorized under Section 3813.152.

7           (c) Sections 375.207 and 375.208, Local Government Code, do  
8 not apply to bonds issued under this section. (Loc. Gov. Code, Sec.  
9 376.474, as added Acts 77th Leg., R.S., Ch. 1371.)

10           [Sections 3813.164-3813.200 reserved for expansion]

11                           SUBCHAPTER E. DISSOLUTION

12           Sec. 3813.201. DISSOLUTION BY BOARD ORDER. The board by  
13 order may dissolve the district at any time unless the district has  
14 outstanding indebtedness or contractual obligations. (Loc. Gov.  
15 Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 1371.)

16           Sec. 3813.202. DISSOLUTION BY PETITION OF OWNERS. (a) The  
17 board by order shall dissolve the district if the board receives a  
18 written petition signed by 75 percent or more of the individuals who  
19 own real property in the district.

20           (b) After the date the district is dissolved, the district  
21 may not impose taxes.

22           (c) If on the date the district is dissolved the district  
23 has outstanding liabilities, the board shall, not later than the  
24 30th day after the date of dissolution, adopt a resolution  
25 certifying each outstanding liability. Harris County shall assume  
26 the outstanding liabilities and shall collect the sales and use tax  
27 for the district for the remainder of the calendar year. Harris

1 County may continue to collect the tax for an additional calendar  
2 year if the commissioners court of the county finds that the tax  
3 revenue is needed to retire the district liabilities that were  
4 assumed by the county.

5 (d) The district may continue to operate for a period not to  
6 exceed two months after performing its duties under Subsection (c).  
7 The district is continued in effect for the purpose of performing  
8 those duties.

9 (e) If the district is continued in effect under Subsection  
10 (d), the district is dissolved entirely on the first day of the  
11 month following the month in which the board certifies to the  
12 secretary of state that the district has fully performed its duties  
13 under Subsection (c). (Loc. Gov. Code, Sec. 376.477, as added Acts  
14 77th Leg., R.S., Ch. 1371.)

15 Sec. 3813.203. ADMINISTRATION OF DISTRICT PROPERTY  
16 FOLLOWING DISSOLUTION. (a) After the date the board orders the  
17 dissolution of the district, the board shall transfer ownership of  
18 all district property to Harris County, except as provided by  
19 Subsection (b).

20 (b) If, on the date on which the board orders the  
21 dissolution, more than 50 percent of the district territory is in a  
22 municipality, the board shall transfer ownership of the district's  
23 property to the municipality. (Loc. Gov. Code, Sec. 376.478, as  
24 added Acts 77th Leg., R.S., Ch. 1371.)

25 CHAPTER 3814. ENERGY CORRIDOR MANAGEMENT DISTRICT

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 3814.001. DEFINITIONS

1 Sec. 3814.002. ENERGY CORRIDOR MANAGEMENT DISTRICT

2 Sec. 3814.003. PURPOSE; DECLARATION OF INTENT

3 Sec. 3814.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

4 Sec. 3814.005. DISTRICT TERRITORY

5 Sec. 3814.006. APPLICABILITY OF OTHER LAW

6 Sec. 3814.007. LIBERAL CONSTRUCTION OF CHAPTER

7 [Sections 3814.008-3814.050 reserved for expansion]

8 SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

9 Sec. 3814.051. BOARD OF DIRECTORS

10 Sec. 3814.052. APPOINTMENT OF VOTING DIRECTORS

11 Sec. 3814.053. NONVOTING DIRECTORS

12 Sec. 3814.054. TERMS

13 Sec. 3814.055. COMPENSATION

14 Sec. 3814.056. CONFLICTS OF INTEREST

15 Sec. 3814.057. INITIAL DIRECTORS

16 [Sections 3814.058-3814.100 reserved for expansion]

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 3814.101. ADDITIONAL POWERS OF DISTRICT

19 Sec. 3814.102. NONPROFIT CORPORATION

20 Sec. 3814.103. AGREEMENTS; GRANTS

21 Sec. 3814.104. AUTHORITY TO CONTRACT FOR LAW

22 ENFORCEMENT

23 Sec. 3814.105. COMPETITIVE BIDDING

24 Sec. 3814.106. APPROVAL BY CITY OF HOUSTON

25 Sec. 3814.107. ELECTRONIC TRANSMISSIONS

26 [Sections 3814.108-3814.150 reserved for expansion]

27 SUBCHAPTER D. FINANCIAL PROVISIONS

1 Sec. 3814.151. PETITION REQUIRED FOR FINANCING SERVICES

2 AND IMPROVEMENTS

3 Sec. 3814.152. DISBURSEMENTS AND TRANSFERS OF MONEY

4 Sec. 3814.153. MAINTENANCE TAX

5 Sec. 3814.154. ASSESSMENTS; LIENS FOR ASSESSMENTS

6 Sec. 3814.155. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND

7 ASSESSMENTS

8 Sec. 3814.156. OBLIGATIONS

9 Sec. 3814.157. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT

10 OBLIGATIONS

11 Sec. 3814.158. ELECTIONS REGARDING TAXES OR BONDS

12 [Sections 3814.159-3814.200 reserved for expansion]

13 SUBCHAPTER E. DISSOLUTION

14 Sec. 3814.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

15 DEBT

16 CHAPTER 3814. ENERGY CORRIDOR MANAGEMENT DISTRICT

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 3814.001. DEFINITIONS. In this chapter:

19 (1) "Board" means the board of directors of the  
20 district.

21 (2) "District" means the Energy Corridor Management  
22 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
23 77th Leg., R.S., Ch. 1376.)

24 Sec. 3814.002. ENERGY CORRIDOR MANAGEMENT DISTRICT. The  
25 Energy Corridor Management District is a special district created  
26 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
27 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1376.)

1           Sec. 3814.003. PURPOSE; DECLARATION OF INTENT. (a) The  
2 creation of the district is essential to accomplish the purposes of  
3 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
4 Texas Constitution, and other public purposes stated in this  
5 chapter.

6           (b) The creation of the district is necessary to promote,  
7 develop, encourage, and maintain employment, commerce,  
8 transportation, housing, tourism, recreation, the arts,  
9 entertainment, economic development, safety, and the public  
10 welfare in the area of the district.

11           (c) This chapter and the creation of the district may not be  
12 interpreted to relieve Harris County or the City of Houston from  
13 providing the level of services provided, as of June 16, 2001, to  
14 the area in the district. The district is created to supplement and  
15 not to supplant the county or city services provided in the area in  
16 the district. (Loc. Gov. Code, Sec. 376.452, as added Acts 77th  
17 Leg., R.S., Ch. 1376.)

18           Sec. 3814.004. FINDINGS OF BENEFIT AND PUBLIC  
19 PURPOSE. (a) The district is created to serve a public use and  
20 benefit.

21           (b) All land and other property included in the district  
22 will benefit from the improvements and services to be provided by  
23 the district under powers conferred by Sections 52 and 52-a,  
24 Article III, and Section 59, Article XVI, Texas Constitution, and  
25 other powers granted under this chapter.

26           (c) The creation of the district is in the public interest  
27 and is essential to:

1           (1) further the public purposes of developing and  
2 diversifying the economy of the state;

3           (2) eliminate unemployment and underemployment; and

4           (3) develop or expand transportation and commerce.

5       (d) The district will:

6           (1) promote the health, safety, and general welfare of  
7 residents, employers, employees, visitors, and consumers in the  
8 district, and of the public;

9           (2) provide needed funding to preserve, maintain, and  
10 enhance the economic health and vitality of the district as a  
11 community and business center; and

12           (3) promote the health, safety, welfare, and enjoyment  
13 of the public by providing pedestrian ways and by landscaping and  
14 developing certain areas in the district, which are necessary for  
15 the restoration, preservation, and enhancement of scenic beauty.

16       (e) Pedestrian ways along or across a street, whether at  
17 grade or above or below the surface, and street lighting, street  
18 landscaping, and street art objects are parts of and necessary  
19 components of a street and are considered to be a street or road  
20 improvement.

21       (f) The district will not act as the agent or  
22 instrumentality of any private interest even though the district  
23 will benefit many private interests as well as the public. (Loc.  
24 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1376.)

25       Sec. 3814.005. DISTRICT TERRITORY. (a) The district is  
26 composed of the territory described by Chapter 1376, Acts of the  
27 77th Legislature, Regular Session, 2001, enacting former Section

376.454, Local Government Code, as that territory may have been modified under:

- (1) Subchapter J, Chapter 49, Water Code; or
- (2) other law.

(b) The boundaries and field notes of the district contained in Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001, enacting former Section 376.454, Local Government Code, form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

- (1) organization, existence, or validity;
- (2) right to issue any type of bond for a purpose for which the district is created or to pay the principal of and interest on a bond;
- (3) right to impose or collect an assessment or tax; or
- (4) legality or operation. (Loc. Gov. Code, Sec. 376.455, as added Acts 77th Leg., R.S., Ch. 1376; New.)

Sec. 3814.006. APPLICABILITY OF OTHER LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district. (Loc. Gov. Code, Sec. 376.457, as added Acts 77th Leg., R.S., Ch. 1376.)

Sec. 3814.007. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter. (Loc. Gov. Code, Sec. 376.458, as added Acts 77th Leg., R.S., Ch. 1376.)

[Sections 3814.008-3814.050 reserved for expansion]

#### SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

Sec. 3814.051. BOARD OF DIRECTORS. The district is

1 governed by a board of:

2 (1) nine voting directors appointed under Section  
3 3814.052; and

4 (2) nonvoting directors as provided by Section  
5 3814.053. (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th  
6 Leg., R.S., Ch. 1376.)

7 Sec. 3814.052. APPOINTMENT OF VOTING DIRECTORS. (a) The  
8 mayor and members of the governing body of the City of Houston shall  
9 appoint voting directors from persons recommended by the board. A  
10 person is appointed if a majority of the members and the mayor vote  
11 to appoint that person.

12 (b) A person may not be appointed to the board if the  
13 appointment of that person would result in fewer than two-thirds of  
14 the directors residing in the City of Houston. (Loc. Gov. Code,  
15 Sec. 376.460, as added Acts 77th Leg., R.S., Ch. 1376.)

16 Sec. 3814.053. NONVOTING DIRECTORS. (a) The following  
17 persons serve as nonvoting directors:

18 (1) the directors of the parks and recreation,  
19 planning and development, public works, and civic center  
20 departments of the City of Houston;

21 (2) the chief of police of the City of Houston;

22 (3) the director of the engineering division of the  
23 Harris County department of public infrastructure;

24 (4) Harris County's general manager of the  
25 Metropolitan Transit Authority of Harris County, Texas;

26 (5) the president of each institution of higher  
27 learning located in the district; and



1           (6) the Houston district engineer for the Texas  
2 Department of Transportation.

3           (b) If an agency, department, or division described by  
4 Subsection (a) is consolidated, renamed, or changed, the board may  
5 appoint a director of the consolidated, renamed, or changed agency,  
6 department, or division as a nonvoting director. If an agency,  
7 department, or division described by Subsection (a) is abolished,  
8 the board may appoint a representative of another agency,  
9 department, or division that performs duties comparable to those  
10 performed by the abolished entity. (Loc. Gov. Code, Sec. 376.461,  
11 as added Acts 77th Leg., R.S., Ch. 1376.)

12           Sec. 3814.054. TERMS. The voting directors serve staggered  
13 terms of four years, with four directors' terms expiring June 1 of  
14 an odd-numbered year and five directors' terms expiring June 1 of  
15 the following odd-numbered year. (Loc. Gov. Code, Sec. 376.459(b),  
16 as added Acts 77th Leg., R.S., Ch. 1376.)

17           Sec. 3814.055. COMPENSATION. A voting director may receive  
18 compensation as provided by Section 49.060, Water Code. (Loc. Gov.  
19 Code, Sec. 376.459(c), as added Acts 77th Leg., R.S., Ch. 1376.)

20           Sec. 3814.056. CONFLICTS OF INTEREST. (a) Except as  
21 provided by this section:

22                 (1) a director may participate in all board votes and  
23 decisions; and

24                 (2) Chapter 171, Local Government Code, governs  
25 conflicts of interest for directors.

26           (b) Section 171.004, Local Government Code, does not apply  
27 to the district. A director who has a substantial interest in a

business or charitable entity that will receive a pecuniary benefit from a board action shall file an affidavit with the board secretary declaring the interest. Another affidavit is not required if the director's interest changes.

(c) After the affidavit is filed, the director may participate in a discussion or vote on that action if:

(1) a majority of the directors have a similar interest in the same entity; or

(2) all other similar business or charitable entities in the district will receive a similar pecuniary benefit.

(d) A director who is also an officer or employee of a public entity may not participate in a discussion of or vote on a matter regarding a contract with that same public entity.

(e) For purposes of this section, a director has a substantial interest in a charitable entity in the same manner that a person would have a substantial interest in a business entity under Section 171.002, Local Government Code. (Loc. Gov. Code, Sec. 376.462, as added Acts 77th Leg., R.S., Ch. 1376.)

Sec. 3814.057. INITIAL DIRECTORS. (a) The initial board consists of the following persons:

Pos. No.	Name of Director
1	Robert Becker
2	Tom Blackwell
3	Lynn Grafin
4	Rick Rice
5	David W. Hightower
6	Mike Turner

1                   7                   Ned Holmes

2                   8                   Roger H. Hord

3                   9                   Cathy Wining

4           (b) The terms of the initial directors appointed for  
5 positions 1 through 5 expire June 1, 2005, and the terms of the  
6 initial directors appointed for positions 6 through 9 expire June  
7 1, 2003.

8           (c) Section 3814.052 does not apply to this section.

9           (d) This section expires September 1, 2006. (Loc. Gov.  
10 Code, Sec. 376.477, as added Acts 77th Leg., R.S., Ch. 1376.)

11           [Sections 3814.058-3814.100 reserved for expansion]

12                               SUBCHAPTER C. POWERS AND DUTIES

13           Sec. 3814.101. ADDITIONAL POWERS OF DISTRICT. The district  
14 may exercise the powers given to:

15                   (1) a corporation created under Section 4B,  
16 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
17 Civil Statutes); and

18                   (2) a housing finance corporation created under  
19 Chapter 394, Local Government Code, to provide housing or  
20 residential development projects in the district. (Loc. Gov. Code,  
21 Sec. 376.464, as added Acts 77th Leg., R.S., Ch. 1376.)

22           Sec. 3814.102. NONPROFIT CORPORATION. (a) The board by  
23 resolution may authorize the creation of a nonprofit corporation to  
24 assist and act for the district in implementing a project or  
25 providing a service authorized by this chapter.

26           (b) The nonprofit corporation:

27                   (1) has each power of and is considered for purposes of

1 this chapter to be a local government corporation created under  
2 Chapter 431, Transportation Code; and

3 (2) may implement any project and provide any service  
4 authorized by this chapter.

5 (c) The board shall appoint the board of directors of the  
6 nonprofit corporation. The board of directors of the nonprofit  
7 corporation shall serve in the same manner as the board of directors  
8 of a local government corporation created under Chapter 431,  
9 Transportation Code. (Loc. Gov. Code, Sec. 376.466, as added Acts  
10 77th Leg., R.S., Ch. 1376.)

11 Sec. 3814.103. AGREEMENTS; GRANTS. (a) The district may  
12 make an agreement with or accept a gift, grant, or loan from any  
13 person.

14 (b) The implementation of a project is a governmental  
15 function or service for the purposes of Chapter 791, Government  
16 Code. (Loc. Gov. Code, Secs. 376.465(a), (b), as added Acts 77th  
17 Leg., R.S., Ch. 1376.)

18 Sec. 3814.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.  
19 To protect the public interest, the district may contract with  
20 Harris County or the City of Houston to provide law enforcement  
21 services in the district for a fee. (Loc. Gov. Code, Sec.  
22 376.465(c), as added Acts 77th Leg., R.S., Ch. 1376.)

23 Sec. 3814.105. COMPETITIVE BIDDING. Section 375.221, Local  
24 Government Code, applies to the district only for a contract that  
25 has a value of more than \$25,000. (Loc. Gov. Code, Sec. 376.475, as  
26 added Acts 77th Leg., R.S., Ch. 1376.)

27 Sec. 3814.106. APPROVAL BY CITY OF HOUSTON. (a) Except as

provided by Subsection (b), the district must obtain approval from the City of Houston's governing body:

(1) for the issuance of bonds for each improvement project;

(2) of the plans and specifications of the improvement project financed by the bond; and

(3) of the plans and specifications of an improvement project related to:

(A) the use of land owned by the City of Houston;

(B) an easement granted by the City of Houston;

or

(C) a right-of-way of a street, road, or highway.

(b) If the district obtains the approval of the City of Houston's governing body of a capital improvements budget for a period not to exceed five years, the district may finance the capital improvements and issue bonds specified in the budget without further approval from the City of Houston. (Loc. Gov. Code, Secs. 376.473(a), (b), as added Acts 77th Leg., R.S., Ch. 1376.)

Sec. 3814.107. ELECTRONIC TRANSMISSIONS. (a) The district may acquire, operate, or charge fees for the use of district conduits for:

(1) another person's:

(A) telecommunications network;

(B) fiber-optic cable; or

(C) electronic transmission line; or

(2) any other type of transmission line or supporting facility.

1 (b) The district may not require a person to use a district  
2 conduit. (Loc. Gov. Code, Sec. 376.463, as added Acts 77th Leg.,  
3 R.S., Ch. 1376.)

4 [Sections 3814.108-3814.150 reserved for expansion]

5 SUBCHAPTER D. FINANCIAL PROVISIONS

6 Sec. 3814.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
7 IMPROVEMENTS. (a) The board may not finance a service or an  
8 improvement project under this chapter unless a written petition  
9 requesting that service or improvement is filed with the board.

10 (b) The petition must be signed by:

11 (1) the owners of a majority of the assessed value of  
12 real property in the district according to the most recent  
13 certified tax appraisal roll for Harris County; or

14 (2) at least 25 owners of land in the district, if more  
15 than 25 persons own property in the district according to the most  
16 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
17 Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch. 1376.)

18 Sec. 3814.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
19 board by resolution shall establish the number of directors'  
20 signatures and the procedure required for a disbursement or  
21 transfer of the district's money. (Loc. Gov. Code, Sec. 376.474, as  
22 added Acts 77th Leg., R.S., Ch. 1376.)

23 Sec. 3814.153. MAINTENANCE TAX. (a) If authorized at an  
24 election held in accordance with Section 3814.158, the district may  
25 impose an annual ad valorem tax on taxable property in the district  
26 to:

27 (1) maintain and operate the district and the

1 improvements constructed or acquired by the district; or

2 (2) provide a service.

3 (b) The board shall determine the tax rate. (Loc. Gov.  
4 Code, Sec. 376.469, as added Acts 77th Leg., R.S., Ch. 1376.)

5 Sec. 3814.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
6 The board by resolution may impose and collect an assessment for any  
7 purpose authorized by this chapter.

8 (b) An assessment, a reassessment, or an assessment  
9 resulting from an addition to or correction of the assessment roll  
10 by the district, penalties and interest on an assessment or  
11 reassessment, an expense of collection, and reasonable attorney's  
12 fees incurred by the district:

13 (1) are a first and prior lien against the property  
14 assessed;

15 (2) are superior to any other lien or claim other than  
16 a lien or claim for county, school district, or municipal ad valorem  
17 taxes; and

18 (3) are the personal liability of and a charge against  
19 the owners of the property even if the owners are not named in the  
20 assessment proceeding.

21 (c) The lien is effective from the date of the board's  
22 resolution imposing the assessment until the date the assessment is  
23 paid. The board may enforce the lien in the same manner that the  
24 board may enforce an ad valorem tax lien against real property.  
25 (Loc. Gov. Code, Sec. 376.470, as added Acts 77th Leg., R.S., Ch.  
26 1376.)

27 Sec. 3814.155. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND

1 ASSESSMENTS. The district may not impose an impact fee or  
2 assessment on the property, including the equipment,  
3 rights-of-way, facilities, or improvements, of:

4 (1) an electric utility or a power generation company  
5 as defined by Section 31.002, Utilities Code;

6 (2) a gas utility as defined by Section 101.003 or  
7 121.001, Utilities Code; or

8 (3) a person that provides to the public cable  
9 television or advanced services. (Loc. Gov. Code, Sec. 376.471, as  
10 added Acts 77th Leg., R.S., Ch. 1376.)

11 Sec. 3814.156. OBLIGATIONS. (a) The district may issue  
12 bonds or other obligations payable in whole or in part from ad  
13 valorem taxes, assessments, impact fees, revenue, grants, or other  
14 money of the district, or any combination of those sources of money,  
15 to pay for any authorized purpose of the district.

16 (b) In exercising the district's borrowing power, the  
17 district may issue a bond or other obligation in the form of a bond,  
18 note, certificate of participation or other instrument evidencing a  
19 proportionate interest in payments to be made by the district, or  
20 other type of obligation. (Loc. Gov. Code, Sec. 376.472, as added  
21 Acts 77th Leg., R.S., Ch. 1376.)

22 Sec. 3814.157. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
23 OBLIGATIONS. Except as provided by Section 375.263, Local  
24 Government Code, a municipality is not required to pay a bond, note,  
25 or other obligation of the district. (Loc. Gov. Code, Sec.  
26 376.473(c), as added Acts 77th Leg., R.S., Ch. 1376.)

27 Sec. 3814.158. ELECTIONS REGARDING TAXES OR



1 BONDS. (a) In addition to the elections required under  
2 Subchapter L, Chapter 375, Local Government Code, the district must  
3 hold an election in the manner provided by that subchapter to obtain  
4 voter approval before the district may:

5 (1) impose a maintenance tax; or

6 (2) issue a bond payable from ad valorem taxes or  
7 assessments.

8 (b) The board may include more than one purpose in a single  
9 proposition at an election. (Loc. Gov. Code, Sec. 376.468, as added  
10 Acts 77th Leg., R.S., Ch. 1376.)

11 [Sections 3814.159-3814.200 reserved for expansion]

12 SUBCHAPTER E. DISSOLUTION

13 Sec. 3814.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
14 DEBT. (a) The board may dissolve the district regardless of  
15 whether the district has debt. Section 375.264, Local Government  
16 Code, does not apply to the district.

17 (b) If the district has debt when it is dissolved, the  
18 district shall remain in existence solely for the purpose of  
19 discharging its debts. The dissolution is effective when all debts  
20 have been discharged. (Loc. Gov. Code, Sec. 376.476, as added Acts  
21 77th Leg., R.S., Ch. 1376.)

22 CHAPTER 3815. GREATER SOUTHEAST MANAGEMENT DISTRICT

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 3815.001. DEFINITIONS

25 Sec. 3815.002. GREATER SOUTHEAST MANAGEMENT DISTRICT

26 Sec. 3815.003. PURPOSE; DECLARATION OF INTENT

27 Sec. 3815.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

- 1    Sec. 3815.005.    DISTRICT TERRITORY
- 2    Sec. 3815.006.    APPLICABILITY OF OTHER LAW
- 3    Sec. 3815.007.    RELATION TO OTHER LAW
- 4    Sec. 3815.008.    LIBERAL CONSTRUCTION OF CHAPTER
- 5                    [Sections 3815.009-3815.050 reserved for expansion]
- 6                    SUBCHAPTER B.    BOARD OF DIRECTORS
- 7    Sec. 3815.051.    BOARD OF DIRECTORS; TERMS
- 8    Sec. 3815.052.    APPOINTMENT OF DIRECTORS
- 9    Sec. 3815.053.    EX OFFICIO DIRECTORS
- 10   Sec. 3815.054.    CONFLICTS OF INTEREST
- 11                   [Sections 3815.055-3815.100 reserved for expansion]
- 12                   SUBCHAPTER C.    POWERS AND DUTIES
- 13   Sec. 3815.101.    DISTRICT POWERS
- 14   Sec. 3815.102.    NONPROFIT CORPORATION
- 15   Sec. 3815.103.    CONTRACTS; GRANTS; DONATIONS
- 16   Sec. 3815.104.    COMPETITIVE BIDDING
- 17   Sec. 3815.105.    ANNEXATION
- 18                   [Sections 3815.106-3815.150 reserved for expansion]
- 19                   SUBCHAPTER D.    FINANCIAL PROVISIONS
- 20   Sec. 3815.151.    PETITION REQUIRED FOR FINANCING SERVICES
- 21                   AND IMPROVEMENTS
- 22   Sec. 3815.152.    DISBURSEMENTS AND TRANSFERS OF MONEY
- 23   Sec. 3815.153.    BOARD VOTE REQUIRED TO IMPOSE TAXES,
- 24                   ASSESSMENTS, OR IMPACT FEES
- 25   Sec. 3815.154.    AUTHORITY TO IMPOSE TAXES, ASSESSMENTS, AND
- 26                   IMPACT FEES
- 27   Sec. 3815.155.    MAINTENANCE TAX

1 Sec. 3815.156. ASSESSMENTS; LIENS FOR ASSESSMENTS

2 Sec. 3815.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
3 ASSESSMENTS

4 Sec. 3815.158. OBLIGATIONS; APPROVAL BY CITY OF HOUSTON

5 Sec. 3815.159. ELECTIONS REGARDING TAXES OR BONDS

6 [Sections 3815.160-3815.200 reserved for expansion]

7 SUBCHAPTER E. DISSOLUTION

8 Sec. 3815.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
9 DEBT

10 CHAPTER 3815. GREATER SOUTHEAST MANAGEMENT DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 3815.001. DEFINITIONS. In this subchapter:

13 (1) "Board" means the board of directors of the  
14 district.

15 (2) "District" means the Greater Southeast Management  
16 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
17 77th Leg., R.S., Ch. 1476.)

18 Sec. 3815.002. GREATER SOUTHEAST MANAGEMENT DISTRICT. A  
19 special district known as the "Greater Southeast Management  
20 District" is a political subdivision of this state. (Loc. Gov.  
21 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1476.)

22 Sec. 3815.003. PURPOSE; DECLARATION OF INTENT. (a) The  
23 creation of the district is essential to accomplish the purposes of  
24 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
25 Texas Constitution, and other public purposes stated in this  
26 chapter. By creating the district and in authorizing Harris  
27 County, the City of Houston, and other political subdivisions to

1 contract with the district, the legislature has established a  
2 program to accomplish the public purposes set out in Section 52-a,  
3 Article III, Texas Constitution.

4 (b) The creation of the district is necessary to promote,  
5 develop, encourage, and maintain employment, commerce,  
6 transportation, housing, tourism, recreation, the arts,  
7 entertainment, economic development, safety, and the public  
8 welfare in the southeast area of the city of Houston.

9 (c) This chapter and the creation of the district may not be  
10 interpreted to relieve Harris County or the City of Houston from  
11 providing the level of services provided as of June 17, 2001, to the  
12 area in the district or to release the county or the city from the  
13 obligations of each entity to provide services to that area. The  
14 district is created to supplement and not to supplant the county or  
15 city services provided in the area in the district. (Loc. Gov.  
16 Code, Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
17 1476.)

18 Sec. 3815.004. FINDINGS OF BENEFIT AND PUBLIC  
19 PURPOSE. (a) The district is created to serve a public use and  
20 benefit.

21 (b) All land and other property included in the district  
22 will benefit from the improvements and services to be provided by  
23 the district under powers conferred by Sections 52 and 52-a,  
24 Article III, and Section 59, Article XVI, Texas Constitution, and  
25 other powers granted under this chapter.

26 (c) The creation of the district is in the public interest  
27 and is essential to:

1           (1) further the public purposes of developing and  
2 diversifying the economy of the state;

3           (2) eliminate unemployment and underemployment; and

4           (3) develop or expand transportation and commerce.

5           (d) The district will:

6           (1) promote the health, safety, and general welfare of  
7 residents, employers, employees, visitors, and consumers in the  
8 district, and of the public;

9           (2) provide money to preserve, maintain, and enhance  
10 the economic health and vitality of the district as a community and  
11 business center; and

12           (3) promote the health, safety, welfare, and enjoyment  
13 of the public by providing pedestrian ways and by landscaping and  
14 developing certain areas in the district, which are necessary for  
15 the restoration, preservation, and enhancement of scenic and  
16 aesthetic beauty.

17           (e) Pedestrian ways along or across a street, whether at  
18 grade or above or below the surface, and street lighting, street  
19 landscaping, and street art objects are parts of and necessary  
20 components of a street and are considered to be a street or road  
21 improvement.

22           (f) The district will not act as the agent or  
23 instrumentality of any private interest even though the district  
24 will benefit many private interests as well as the public. (Loc.  
25 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1476.)

26           Sec. 3815.005. DISTRICT TERRITORY. (a) The district is  
27 composed of the territory described by Section 1, Chapter 1476,

1 Acts of the 77th Legislature, Regular Session, 2001, enacting  
2 former Section 376.454, Local Government Code, as that territory  
3 may have been modified under:

4 (1) Section 3815.105 or its predecessor statute,  
5 former Section 376.479, Local Government Code, as added by Chapter  
6 1476, Acts of the 77th Legislature, Regular Session, 2001;

7 (2) Subchapter J, Chapter 49, Water Code; or

8 (3) other law.

9 (b) The boundaries and field notes of the district contained  
10 in Section 1, Chapter 1476, Acts of the 77th Legislature, Regular  
11 Session, 2001, enacting former Section 376.454, Local Government  
12 Code, form a closure. A mistake in the field notes or in copying the  
13 field notes in the legislative process does not in any way affect:

14 (1) the district's organization, existence, and  
15 validity;

16 (2) the district's right to issue any type of bond,  
17 including a refunding bond, for a purpose for which the district is  
18 created or to pay the principal of and interest on the bond;

19 (3) the district's right to impose and collect an  
20 assessment or tax; or

21 (4) the legality or operation of the district or the  
22 board. (Loc. Gov. Code, Sec. 376.455, as added Acts 77th Leg.,  
23 R.S., Ch. 1476; New.)

24 Sec. 3815.006. APPLICABILITY OF OTHER LAW. Except as  
25 otherwise provided by this chapter, Chapter 375, Local Government  
26 Code, applies to the district, the board, and district employees.  
27 (Loc. Gov. Code, Secs. 376.457, 376.461 (part), as added Acts 77th

1 Leg., R.S., Ch. 1476.)

2 Sec. 3815.007. RELATION TO OTHER LAW. This chapter  
3 prevails over any provision of general law, including a law to which  
4 this chapter refers, that is in conflict with or is inconsistent  
5 with this chapter. (Loc. Gov. Code, Sec. 376.466 (part), as added  
6 Acts 77th Leg., R.S., Ch. 1476.)

7 Sec. 3815.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
8 chapter shall be liberally construed in conformity with the  
9 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
10 376.458, as added Acts 77th Leg., R.S., Ch. 1476.)

11 [Sections 3815.009-3815.050 reserved for expansion]

12 SUBCHAPTER B. BOARD OF DIRECTORS

13 Sec. 3815.051. BOARD OF DIRECTORS; TERMS. (a) The  
14 district is governed by a board of 21 directors who serve staggered  
15 terms of four years, with 10 directors' terms expiring June 1 of an  
16 odd-numbered year and 11 directors' terms expiring June 1 of the  
17 following odd-numbered year.

18 (b) The board by resolution may increase or decrease the  
19 number of directors on the board, but only if it is in the best  
20 interest of the district to do so. The board may not:

21 (1) increase the number of directors to more than 30;

22 or

23 (2) decrease the number of directors to fewer than 9.

24 (Loc. Gov. Code, Sec. 376.459(a), as added Acts 77th Leg., R.S.,  
25 Ch. 1476.)

26 Sec. 3815.052. APPOINTMENT OF DIRECTORS. The mayor and  
27 members of the governing body of the City of Houston shall appoint

1 directors from persons recommended by the board who meet the  
2 qualifications prescribed by Subchapter D, Chapter 375, Local  
3 Government Code. (Loc. Gov. Code, Sec. 376.460 (part), as added  
4 Acts 77th Leg., R.S., Ch. 1476.)

5 Sec. 3815.053. EX OFFICIO DIRECTORS. (a) The following  
6 persons serve as nonvoting ex officio directors:

7 (1) the directors of the parks and recreation,  
8 planning and development, public works, and civic center  
9 departments of the City of Houston;

10 (2) the chief of police of the City of Houston;

11 (3) the general manager of the Metropolitan Transit  
12 Authority of Harris County, Texas; and

13 (4) the president of each institution of higher  
14 learning located in the district.

15 (b) If a department described by Subsection (a) is  
16 consolidated, renamed, or changed, the board may appoint a director  
17 of the consolidated, renamed, or changed department as a nonvoting  
18 ex officio director. If a department described by Subsection (a) is  
19 abolished, the board may appoint as a director a representative of  
20 another department of the City of Houston that performs duties  
21 comparable to those performed by the abolished department.

22 (c) The board may appoint the presiding officer of a  
23 nonprofit corporation actively involved in activities in the  
24 southeast area of the city of Houston to serve as a nonvoting ex  
25 officio director. (Loc. Gov. Code, Sec. 376.463, as added Acts  
26 77th Leg., R.S., Ch. 1476.)

27 Sec. 3815.054. CONFLICTS OF INTEREST. (a) Except as



provided by this section:

(1) a director may participate in all board votes and decisions; and

(2) Chapter 171, Local Government Code, governs conflicts of interest of directors.

(b) Section 171.004, Local Government Code, does not apply to the district. A director who has a substantial interest in a business or charitable entity that will receive a pecuniary benefit from a board action shall file an affidavit with the board secretary declaring the interest. Another affidavit is not required if the director's interest changes.

(c) After the affidavit is filed, the director may participate in a discussion or vote on that action if:

(1) a majority of the directors have a similar interest in the same entity; or

(2) all other similar business or charitable entities in the district will receive a similar pecuniary benefit.

(d) A director who is also an officer or employee of a public entity may not participate in a discussion of or vote on a matter regarding a contract with that same public entity.

(e) For purposes of this section, a director has a substantial interest in a charitable entity in the same manner that a person would have a substantial interest in a business entity under Section 171.002, Local Government Code. (Loc. Gov. Code, Sec. 376.464, as added Acts 77th Leg., R.S., Ch. 1476.)

[Sections 3815.055-3815.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

1           Sec. 3815.101. DISTRICT POWERS. The district has:

2               (1) all powers necessary to accomplish the purposes  
3 for which the district was created;

4               (2) the powers given to a corporation under Section  
5 4B, the Development Corporation Act of 1979 (Article 5190.6,  
6 Vernon's Texas Civil Statutes), and the power to own, operate,  
7 acquire, construct, lease, improve, and maintain projects; and

8               (3) the powers given to a housing finance corporation  
9 created under Chapter 394, Local Government Code, to provide  
10 housing or residential development projects in the district. (Loc.  
11 Gov. Code, Sec. 376.461 (part), as added Acts 77th Leg., R.S., Ch.  
12 1476.)

13           Sec. 3815.102. NONPROFIT CORPORATION. (a) The board by  
14 resolution may authorize the creation of a nonprofit corporation to  
15 assist and act for the district in implementing a project or  
16 providing a service authorized by this chapter.

17               (b) The nonprofit corporation:

18                   (1) has each power of and is considered for purposes of  
19 this chapter to be a local government corporation created under  
20 Chapter 431, Transportation Code; and

21                   (2) may implement any project and provide any service  
22 authorized by this chapter.

23               (c) The board shall appoint the board of directors of the  
24 nonprofit corporation. The board of directors of the nonprofit  
25 corporation shall serve in the same manner as, for the same term as,  
26 and on the conditions of the board of directors of a local  
27 government corporation created under Chapter 431, Transportation

1 Code. (Loc. Gov. Code, Sec. 376.468, as added Acts 77th Leg., R.S.,  
2 Ch. 1476.)

3 Sec. 3815.103. CONTRACTS; GRANTS; DONATIONS. (a) To  
4 protect the public interest, the district may contract with Harris  
5 County or the City of Houston for the county or city to provide law  
6 enforcement services in the district for a fee.

7 (b) Harris County, the City of Houston, or another political  
8 subdivision of this state, without further authorization, may  
9 contract with the district to implement a project of the district or  
10 assist the district in providing a service authorized under this  
11 chapter. A contract under this subsection may:

- 12 (1) be for a period on which the parties agree;  
13 (2) include terms on which the parties agree;  
14 (3) be payable from taxes or any other source of  
15 revenue that may be available for that project or service; or  
16 (4) provide terms under which taxes or other revenue  
17 collected at a district project or from a person using or purchasing  
18 a commodity or service at a district project may be paid or rebated  
19 to the district.

20 (c) The district may enter into a contract, lease, or other  
21 agreement with or make or accept a grant or loan to or from, or  
22 accept donations from, any person, including:

- 23 (1) the United States;  
24 (2) this state or a state agency;  
25 (3) any political subdivision of this state; or  
26 (4) a public or private corporation, including a  
27 nonprofit corporation created by the board under this subchapter.

1 (d) The district may perform all acts necessary for the full  
2 exercise of the powers vested in the district on terms and for the  
3 period the board determines advisable.

4 (e) The implementation of a project is a governmental  
5 function or service for purposes of Chapter 791, Government Code.  
6 (Loc. Gov. Code, Secs. 376.477, 376.480, as added Acts 77th Leg.,  
7 R.S., Ch. 1476.)

8 Sec. 3815.104. COMPETITIVE BIDDING. Section 375.221, Local  
9 Government Code, does not apply to a district contract for \$25,000  
10 or less. (Loc. Gov. Code, Sec. 376.478, as added Acts 77th Leg.,  
11 R.S., Ch. 1476.)

12 Sec. 3815.105. ANNEXATION. In addition to the authority to  
13 annex territory under Subchapter C, Chapter 375, Local Government  
14 Code, the district has the authority to annex territory located in a  
15 reinvestment zone created by the City of Houston under Chapter 311,  
16 Tax Code, if the city's governing body consents to the annexation.  
17 (Loc. Gov. Code, Sec. 376.479, as added Acts 77th Leg., R.S., Ch.  
18 1476.)

19 [Sections 3815.106-3815.150 reserved for expansion]

20 SUBCHAPTER D. FINANCIAL PROVISIONS

21 Sec. 3815.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
22 IMPROVEMENTS. (a) The board may not finance a service or an  
23 improvement project under this chapter unless a written petition  
24 requesting that service or improvement is filed with the board.

25 (b) The petition must be signed by:

26 (1) the owners of a majority of the assessed value of  
27 real property in the district according to the most recent

1 certified tax appraisal roll for Harris County; or

2 (2) at least 50 owners of land in the district, if more  
3 than 50 persons own property in the district according to the most  
4 recent certified tax appraisal roll for Harris County. (Loc. Gov.  
5 Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch. 1476.)

6 Sec. 3815.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
7 board by resolution shall establish the number of directors'  
8 signatures and the procedure required for a disbursement or  
9 transfer of the district's money. (Loc. Gov. Code, Sec. 376.469, as  
10 added Acts 77th Leg., R.S., Ch. 1476.)

11 Sec. 3815.153. BOARD VOTE REQUIRED TO IMPOSE TAXES,  
12 ASSESSMENTS, OR IMPACT FEES. The imposition of a tax, assessment,  
13 or impact fee requires a vote of a majority of the directors  
14 serving. (Loc. Gov. Code, Sec. 376.459(b) (part), as added Acts  
15 77th Leg., R.S., Ch. 1476.)

16 Sec. 3815.154. AUTHORITY TO IMPOSE TAXES, ASSESSMENTS, AND  
17 IMPACT FEES. The district may impose an ad valorem tax, assessment,  
18 or impact fee as provided by Chapter 375, Local Government Code, to  
19 provide an improvement or service for a project or activity the  
20 district may acquire, construct, improve, or provide under this  
21 chapter. (Loc. Gov. Code, Sec. 376.461 (part), as added Acts 77th  
22 Leg., R.S., Ch. 1476.)

23 Sec. 3815.155. MAINTENANCE TAX. (a) If authorized at an  
24 election held in accordance with Section 3815.159, the district may  
25 impose an annual ad valorem tax on taxable property in the district  
26 to:

27 (1) maintain and operate the district and the

1 improvements constructed or acquired by the district; or

2 (2) provide a service.

3 (b) The board shall determine the tax rate. (Loc. Gov.  
4 Code, Sec. 376.475, as added Acts 77th Leg., R.S., Ch. 1476.)

5 Sec. 3815.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
6 The board by resolution may impose and collect an assessment for any  
7 purpose authorized by this chapter.

8 (b) An assessment, a reassessment, or an assessment  
9 resulting from an addition to or correction of the assessment roll  
10 by the district, penalties and interest on an assessment or  
11 reassessment, an expense of collection, and reasonable attorney's  
12 fees incurred by the district:

13 (1) are a first and prior lien against the property  
14 assessed;

15 (2) are superior to any other lien or claim other than  
16 a lien or claim for county, school district, or municipal ad valorem  
17 taxes; and

18 (3) are the personal liability of and a charge against  
19 the owners of the property even if the owners are not named in the  
20 assessment proceeding.

21 (c) The lien is effective from the date of the board's  
22 resolution imposing the assessment until the date the assessment is  
23 paid. The board may enforce the lien in the same manner that the  
24 board may enforce an ad valorem tax lien against real property.

25 (d) The board may correct, add to, or delete assessments  
26 from its assessment rolls after notice and hearing as provided by  
27 Subchapter F, Chapter 375, Local Government Code. (Loc. Gov. Code,

1 Secs. 376.461 (part), 376.471, as added Acts 77th Leg., R.S., Ch.  
2 1476.)

3 Sec. 3815.157. PROPERTY EXEMPT FROM TAXES, IMPACT FEES, AND  
4 ASSESSMENTS. (a) The district may not impose a tax, impact fee,  
5 or assessment on a residential property or condominium.

6 (b) The district may not impose an impact fee or assessment  
7 on the property, equipment, or facilities of a person who provides  
8 to the public cable television, gas, light, power, telephone,  
9 sewage, or water service. (Loc. Gov. Code, Sec. 376.472, as added  
10 Acts 77th Leg., R.S., Ch. 1476.)

11 Sec. 3815.158. OBLIGATIONS; APPROVAL BY CITY OF  
12 HOUSTON. (a) The district may issue bonds or other obligations  
13 payable in whole or in part from ad valorem taxes, assessments,  
14 impact fees, revenue, grants, or other money of the district, or any  
15 combination of those sources of money, to pay for any authorized  
16 purpose of the district.

17 (b) In exercising the district's borrowing power, the  
18 district may issue a bond or other obligation in the form of a bond,  
19 note, certificate of participation or other instrument evidencing a  
20 proportionate interest in payments to be made by the district, or  
21 other type of obligation.

22 (c) Except as provided by Subsection (d), the district must  
23 obtain the approval of the City of Houston:

24 (1) for the issuance of a bond for each improvement  
25 project;

26 (2) of the plans and specifications of the improvement  
27 project to be financed by the bond; and

(3) of the plans and specifications of a district improvement project related to:

(A) the use of land owned by the City of Houston;

(B) an easement granted by the City of Houston;

or

(C) a right-of-way of a street, road, or highway.

(d) If the district obtains the approval of the City of Houston of a capital improvements budget for a specified period not to exceed five years, the district may finance the capital improvements and issue bonds specified in the budget without further approval from the City of Houston. (Loc. Gov. Code, Secs. 376.470(a), (b) (part), (c), (d), as added Acts 77th Leg., R.S., Ch. 1476.)

Sec. 3815.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In addition to the elections required under Subchapter L, Chapter 375, Local Government Code, the district must hold an election in the manner provided by that subchapter to obtain voter approval before the district may:

(1) impose a maintenance tax; or

(2) issue a bond payable from ad valorem taxes or assessments.

(b) The board may submit multiple purposes in a single proposition at an election. (Loc. Gov. Code, Sec. 376.473, as added Acts 77th Leg., R.S., Ch. 1476.)

[Sections 3815.160-3815.200 reserved for expansion]

#### SUBCHAPTER E. DISSOLUTION

Sec. 3815.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING



DEBT. If the district has debt when it is dissolved, the district shall remain in existence solely for the purpose of discharging its bonds or other obligations according to their terms. (Loc. Gov. Code, Sec. 376.476 (part), as added Acts 77th Leg., R.S., Ch. 1476.)

CHAPTER 3816. FRISCO SQUARE MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3816.001. DEFINITIONS

Sec. 3816.002. FRISCO SQUARE MANAGEMENT DISTRICT

Sec. 3816.003. PURPOSE; DECLARATION OF INTENT

Sec. 3816.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

Sec. 3816.005. DISTRICT TERRITORY

Sec. 3816.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE

ZONES

Sec. 3816.007. APPLICABILITY OF OTHER LAW

Sec. 3816.008. RELATION TO OTHER LAW

Sec. 3816.009. LIBERAL CONSTRUCTION OF CHAPTER

[Sections 3816.010-3816.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3816.051. BOARD OF DIRECTORS

Sec. 3816.052. APPOINTED DIRECTORS

Sec. 3816.053. EX OFFICIO DIRECTORS

Sec. 3816.054. CONFLICTS OF INTEREST

[Sections 3816.055-3816.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3816.101. DISTRICT POWERS

Sec. 3816.102. NONPROFIT CORPORATION

1 Sec. 3816.103. AGREEMENTS; GRANTS; DONATIONS

2 Sec. 3816.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT

3 Sec. 3816.105. COMPETITIVE BIDDING

4 Sec. 3816.106. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS

5 Sec. 3816.107. ANNEXATION

6 [Sections 3816.108-3816.150 reserved for expansion]

7 SUBCHAPTER D. FINANCIAL PROVISIONS

8 Sec. 3816.151. PETITION REQUIRED FOR FINANCING SERVICES

9 AND IMPROVEMENTS

10 Sec. 3816.152. DISBURSEMENTS AND TRANSFERS OF MONEY

11 Sec. 3816.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,

12 ASSESSMENTS, AND IMPACT FEES

13 Sec. 3816.154. MAINTENANCE TAX

14 Sec. 3816.155. CONTRACTS SECURED BY AD VALOREM TAXES

15 Sec. 3816.156. ASSESSMENTS

16 Sec. 3816.157. LIENS FOR ASSESSMENTS

17 Sec. 3816.158. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS

18 AND IMPACT FEES

19 Sec. 3816.159. ELECTIONS REGARDING TAXES OR BONDS

20 Sec. 3816.160. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT

21 OBLIGATIONS

22 [Sections 3816.161-3816.200 reserved for expansion]

23 SUBCHAPTER E. DISSOLUTION

24 Sec. 3816.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

25 DEBT

26 CHAPTER 3816. FRISCO SQUARE MANAGEMENT DISTRICT

27 SUBCHAPTER A. GENERAL PROVISIONS

1           Sec. 3816.001. DEFINITIONS. In this subchapter:

2                   (1) "Board" means the board of directors of the  
3 district.

4                   (2) "District" means the Frisco Square Management  
5 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
6 77th Leg., R.S., Ch. 1384.)

7           Sec. 3816.002. FRISCO SQUARE MANAGEMENT DISTRICT. The  
8 Frisco Square Management District is a special district created  
9 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
10 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1384.)

11           Sec. 3816.003. PURPOSE; DECLARATION OF INTENT. (a) The  
12 creation of the district is essential to accomplish the purposes of  
13 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
14 Texas Constitution, and other public purposes stated in this  
15 chapter. By creating the district and in authorizing Collin  
16 County, the City of Frisco, and other political subdivisions to  
17 contract with the district, the legislature has established a  
18 program to accomplish the public purposes set out in Section 52-a,  
19 Article III, Texas Constitution.

20                   (b) The creation of the district is necessary to promote,  
21 develop, encourage, and maintain employment, commerce,  
22 transportation, housing, tourism, recreation, the arts,  
23 entertainment, economic development, safety, and the public  
24 welfare in the City of Frisco's central business area.

25                   (c) This chapter and the creation of the district may not be  
26 interpreted to relieve Collin County or the City of Frisco from  
27 providing the level of services provided as of September 1, 2001, to

1 the area in the district or to release the county or city from the  
2 obligations of each entity to provide services to that area. The  
3 district is created to supplement and not to supplant the city  
4 services provided in the area in the district. (Loc. Gov. Code,  
5 Secs. 376.451(c), 376.452, as added Acts 77th Leg., R.S., Ch.  
6 1384.)

7 Sec. 3816.004. FINDINGS OF BENEFIT AND PUBLIC  
8 PURPOSE. (a) The district is created to serve a public use and  
9 benefit.

10 (b) All land and other property included in the district  
11 will benefit from the improvements and services to be provided by  
12 the district under powers conferred by Sections 52 and 52-a,  
13 Article III, and Section 59, Article XVI, Texas Constitution, and  
14 other powers granted under this chapter.

15 (c) The creation of the district is in the public interest  
16 and is essential to:

17 (1) further the public purposes of developing and  
18 diversifying the economy of the state;

19 (2) eliminate unemployment and underemployment; and

20 (3) develop or expand transportation and commerce.

21 (d) Each improvement project or service authorized by this  
22 chapter is essential to carry out a public purpose and will benefit:

23 (1) all land and property in the district;

24 (2) the employees, employers, and consumers of the  
25 district; and

26 (3) the public.

27 (e) The district will:

1           (1) promote the health, safety, and general welfare of  
2 residents, employers, employees, visitors, and consumers in the  
3 district, and of the public;

4           (2) provide needed funding for the City of Frisco's  
5 central business area extension to the west to:

6                   (A) preserve, maintain, and enhance the economic  
7 health and vitality of the area as a community and business center;  
8 and

9                   (B) provide a government center for the city;

10          (3) promote the health, safety, and general welfare of  
11 residents, employers, employees, visitors, and consumers in the  
12 district, and of the public by providing, maintaining, and  
13 operating:

14                   (A) attractive, safe, and convenient street and  
15 road improvements;

16                   (B) off-street parking facilities; and

17                   (C) necessary water, sewer, and drainage  
18 facilities to serve the area within the district; and

19          (4) promote the health, safety, welfare, and enjoyment  
20 of the public by providing pedestrian ways, parks, and off-street  
21 parking and by landscaping and developing certain areas in the  
22 district, which are necessary for the restoration, preservation,  
23 and enhancement of scenic and aesthetic beauty.

24          (f) Pedestrian ways along or across a street, at grade or  
25 above or below the surface, and street lighting, street  
26 landscaping, and street art objects are parts of and necessary  
27 components of a street and are considered to be a street or road

1 improvement.

2 (g) The district will not act as the agent or  
3 instrumentality of any private interest even though the district  
4 will benefit many private interests as well as the public. (Loc.  
5 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1384.)

6 Sec. 3816.005. DISTRICT TERRITORY. (a) The district is  
7 composed of the territory described by Section 1, Chapter 1384,  
8 Acts of the 77th Legislature, Regular Session, 2001, enacting  
9 former Section 376.454, Local Government Code, as that territory  
10 may have been modified under:

11 (1) Section 3816.107 or its predecessor statute,  
12 former Section 376.466, Local Government Code, as added by Chapter  
13 1384, Acts of the 77th Legislature, Regular Session, 2001;

14 (2) Subchapter J, Chapter 49, Water Code; or

15 (3) other law.

16 (b) The boundaries and field notes of the district contained  
17 in Section 1, Chapter 1384, Acts of the 77th Legislature, Regular  
18 Session, 2001, enacting former Section 376.454, Local Government  
19 Code, form a closure. A mistake in the field notes or in copying the  
20 field notes in the legislative process does not affect the  
21 district's:

22 (1) organization, existence, or validity;

23 (2) right to issue any type of bond or other obligation  
24 for a purpose for which the district is created or to pay the  
25 principal of and interest on the bond;

26 (3) right to impose or collect an assessment or tax; or

27 (4) legality or operation. (Loc. Gov. Code, Sec.

376.455, as added Acts 77th Leg., R.S., Ch. 1384; New.)

Sec. 3816.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE ZONES. (a) All or any part of the area of the district is eligible, regardless of other statutory criteria, to be included in:

(1) a tax increment reinvestment zone created by the City of Frisco under Chapter 311, Tax Code; or

(2) a tax abatement reinvestment zone created by the City of Frisco under Chapter 312, Tax Code.

(b) All or any part of the area of the district is eligible to be nominated for inclusion in an enterprise zone by the City of Frisco under Chapter 2303, Government Code. (Loc. Gov. Code, Sec. 376.463(f), as added Acts 77th Leg., R.S., Ch. 1384.)

Sec. 3816.007. APPLICABILITY OF OTHER LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district, the board, and district employees. (Loc. Gov. Code, Sec. 376.457(a), as added Acts 77th Leg., R.S., Ch. 1384.)

Sec. 3816.008. RELATION TO OTHER LAW. This chapter prevails over a law to which this chapter refers that is in conflict with or is inconsistent with this chapter. (Loc. Gov. Code, Sec. 376.457(b) (part), as added Acts 77th Leg., R.S., Ch. 1384.)

Sec. 3816.009. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter. (Loc. Gov. Code, Sec. 376.458, as added Acts 77th Leg., R.S., Ch. 1384.)

[Sections 3816.010-3816.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3816.051. BOARD OF DIRECTORS. The district is governed by a board of five directors appointed under Section 3816.052 and three directors serving ex officio under Section 3816.053. (Loc. Gov. Code, Sec. 376.459(a) (part), as added Acts 77th Leg., R.S., Ch. 1384.)

Sec. 3816.052. APPOINTED DIRECTORS. (a) The governing body of the City of Frisco shall appoint directors who meet the qualifications of Subchapter D, Chapter 375, Local Government Code.

(b) The appointed directors serve staggered terms of four years, with two directors' terms expiring July 1 of an odd-numbered year and three directors' terms expiring July 1 of the following odd-numbered year.

(c) Notwithstanding the common law doctrine of incompatibility, members of the governing body of the City of Frisco may be appointed to the board. The term of a director who is also a member of the governing body of the City of Frisco expires when the member's term on the governing body expires. The person may be reappointed to the board to complete the unexpired term on the board.

(d) A person may not be appointed to the board if the appointment of that person would result in fewer than three of the directors residing in the City of Frisco.

(e) The governing body of the City of Frisco shall appoint a director to fill a vacancy that occurs on the board.

(f) District directors are public officials entitled to governmental immunity for their official actions. (Loc. Gov. Code,



1 Secs. 376.459(a) (part), 376.460(a), (b), (c), (d), as added Acts  
2 77th Leg., R.S., Ch. 1384.)

3 Sec. 3816.053. EX OFFICIO DIRECTORS. (a) The following  
4 persons serve as nonvoting ex officio directors:

5 (1) the manager of the City of Frisco;

6 (2) the financial director of the City of Frisco; and

7 (3) the planning director of the City of Frisco.

8 (b) If an office described by Subsection (a) is renamed,  
9 changed, or abolished, the governing body of the City of Frisco may  
10 appoint another city officer or employee who performs duties  
11 comparable to those performed by the officer described by  
12 Subsection (a). (Loc. Gov. Code, Sec. 376.461, as added Acts 77th  
13 Leg., R.S., Ch. 1384.)

14 Sec. 3816.054. CONFLICTS OF INTEREST. (a) Except as  
15 provided by Section 3816.053 or this section:

16 (1) a director may participate in all board votes and  
17 decisions; and

18 (2) Chapter 171, Local Government Code, governs  
19 conflicts of interest of board members.

20 (b) Section 171.004, Local Government Code, does not apply  
21 to the district. A director who has a substantial interest in a  
22 business or charitable entity that will receive a pecuniary benefit  
23 from a board action shall file an affidavit with the board secretary  
24 declaring the interest. Another affidavit is not required if the  
25 director's interest changes.

26 (c) After the affidavit is filed, the director may  
27 participate in a discussion or vote on that action if:

1           (1) a majority of the directors have a similar  
2 interest in the same entity;

3           (2) all other similar business or charitable entities  
4 in the district will receive a similar pecuniary benefit; or

5           (3) the director is a property owner in the district.

6           (d) A director who is also an officer or employee of a public  
7 entity may not participate in a discussion of or vote on a matter  
8 regarding a contract with that same public entity.

9           (e) For purposes of this section, a director has a  
10 substantial interest in a charitable entity in the same manner that  
11 a person would have a substantial interest in a business entity  
12 under Section 171.002, Local Government Code. (Loc. Gov. Code,  
13 Sec. 376.462, as added Acts 77th Leg., R.S., Ch. 1384.)

14           [Sections 3816.055-3816.100 reserved for expansion]

15                       SUBCHAPTER C. POWERS AND DUTIES

16           Sec. 3816.101. DISTRICT POWERS. (a) The district has all  
17 powers necessary to accomplish the purposes for which the district  
18 was created.

19           (b) The district may exercise the powers given to:

20               (1) a corporation created under Section 4B,  
21 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas  
22 Civil Statutes); or

23               (2) a housing finance corporation created under  
24 Chapter 394, Local Government Code, to provide housing or  
25 residential development projects in the district. (Loc. Gov. Code,  
26 Secs. 376.463(a), (b), (c), as added Acts 77th Leg., R.S., Ch.  
27 1384.)

1           Sec. 3816.102. NONPROFIT CORPORATION. (a) The board by  
2 resolution may authorize the creation of a nonprofit corporation to  
3 assist and act for the district in implementing a project or  
4 providing a service authorized by this chapter.

5           (b) The nonprofit corporation:

6                 (1) has each power of and is considered for purposes of  
7 this chapter to be a local government corporation created under  
8 Chapter 431, Transportation Code; and

9                 (2) may implement any project and provide any service  
10 authorized by this chapter.

11           (c) The board shall appoint the board of directors of the  
12 nonprofit corporation. The board of directors of the nonprofit  
13 corporation shall serve in the same manner as, for the same term as,  
14 and on the conditions of the board of directors of a local  
15 government corporation created under Chapter 431, Transportation  
16 Code. (Loc. Gov. Code, Sec. 376.465, as added Acts 77th Leg., R.S.,  
17 Ch. 1384.)

18           Sec. 3816.103. AGREEMENTS; GRANTS; DONATIONS. (a) The  
19 district may enter into an agreement with or accept a donation,  
20 grant, or loan from any person.

21           (b) A municipality, county, or other political subdivision  
22 of this state, without further authorization, may contract with the  
23 district for:

24                 (1) the acquisition, construction, improvement,  
25 implementation, maintenance, and operation of a district project;  
26 or

27                 (2) the provision of a service authorized under this

chapter.

(c) A contract under Subsection (b) may:

(1) be for a period and include terms on which the parties agree;

(2) be payable from taxes or any other source of revenue that may be available for that purpose; and

(3) provide terms under which taxes or other revenues collected at a district project or from a person using or purchasing a commodity or service at a district project may be paid or rebated to the district.

(d) The implementation of a project is a governmental function or service for the purposes of Chapter 791, Government Code. (Loc. Gov. Code, Secs. 376.464(a), (b), (c), as added Acts 77th Leg., R.S., Ch. 1384.)

Sec. 3816.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT. To protect the public interest, the district may contract with the City of Frisco for the city to provide law enforcement services in the district for a fee. (Loc. Gov. Code, Sec. 376.464(d), as added Acts 77th Leg., R.S., Ch. 1384.)

Sec. 3816.105. COMPETITIVE BIDDING. Section 375.221, Local Government Code, does not apply to a district contract for \$25,000 or less. (Loc. Gov. Code, Sec. 376.475, as added Acts 77th Leg., R.S., Ch. 1384.)

Sec. 3816.106. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS. (a) Except as provided by Subsection (b), the district must obtain the approval of the City of Frisco's governing body:

(1) for the issuance of a bond for each improvement

1 project;

2 (2) of the plans and specifications of an improvement  
3 project financed by the bond; and

4 (3) of the plans and specifications of a district  
5 improvement project related to the use of land owned by the City of  
6 Frisco, an easement granted by the City of Frisco, or a right-of-way  
7 of a street, road, or highway.

8 (b) If the district obtains the approval of the City of  
9 Frisco's governing body of a capital improvements budget for a  
10 period not to exceed five years, the district may finance the  
11 capital improvements and issue bonds specified in the budget  
12 without the further approval of the city. (Loc. Gov. Code, Secs.  
13 376.473(a), (b), (c), as added Acts 77th Leg., R.S., Ch. 1384.)

14 Sec. 3816.107. ANNEXATION. In addition to the authority to  
15 annex territory under Subchapter C, Chapter 375, Local Government  
16 Code, the district has the authority to annex territory located in a  
17 reinvestment zone created by the City of Frisco under Chapter 311,  
18 Tax Code, if the city's governing body consents to the annexation.  
19 (Loc. Gov. Code, Sec. 376.466, as added Acts 77th Leg., R.S., Ch.  
20 1384.)

21 [Sections 3816.108-3816.150 reserved for expansion]

22 SUBCHAPTER D. FINANCIAL PROVISIONS

23 Sec. 3816.151. PETITION REQUIRED FOR FINANCING SERVICES AND  
24 IMPROVEMENTS. (a) The board may not finance a service or an  
25 improvement project under this chapter unless a written petition  
26 requesting that service or improvement is filed with the board.

27 (b) The petition must be signed by:

1           (1) the owners of a majority of the assessed value of  
2 real property in the district according to the most recent  
3 certified tax appraisal roll for Collin County; or

4           (2) at least 25 owners of land in the district, if more  
5 than 25 persons own property in the district according to the most  
6 recent certified property tax appraisal roll for Collin County.  
7 (Loc. Gov. Code, Sec. 376.467, as added Acts 77th Leg., R.S., Ch.  
8 1384.)

9           Sec. 3816.152. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
10 board by resolution shall establish the number of directors'  
11 signatures and the procedure required for a disbursement or  
12 transfer of the district's money. (Loc. Gov. Code, Sec. 376.474, as  
13 added Acts 77th Leg., R.S., Ch. 1384.)

14          Sec. 3816.153. AUTHORITY TO IMPOSE AD VALOREM TAXES,  
15 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem  
16 tax, assessment, or impact fee as provided by Chapter 375, Local  
17 Government Code, on all property in the district, including  
18 industrial, commercial, or residential property, and may impose an  
19 assessment on municipal property in the district to:

20           (1) finance or provide an improvement or service for a  
21 project or activity this chapter authorizes the district to  
22 construct, acquire, or improve; or

23           (2) provide or to make a payment under a contract.  
24 (Loc. Gov. Code, Sec. 376.463(d) (part), as added Acts 77th Leg.,  
25 R.S., Ch. 1384.)

26          Sec. 3816.154. MAINTENANCE TAX. (a) If authorized at an  
27 election held in accordance with Section 3816.159, the district may

1 impose an annual ad valorem tax on taxable property in the district  
2 to:

3 (1) maintain and operate the district and the  
4 improvements constructed or acquired by the district; or

5 (2) provide a service.

6 (b) The board shall determine the tax rate. (Loc. Gov.  
7 Code, Sec. 376.469, as added Acts 77th Leg., R.S., Ch. 1384.)

8 Sec. 3816.155. CONTRACTS SECURED BY AD VALOREM TAXES. A  
9 contract for which the payments are secured wholly or partly by ad  
10 valorem taxes may not be executed unless the imposition of the ad  
11 valorem taxes to secure the payment of the contract is approved by a  
12 majority, or a larger percentage if constitutionally required, of  
13 the voters in the district voting at an election held for that  
14 purpose. (Loc. Gov. Code, Sec. 376.463(d) (part), as added Acts  
15 77th Leg., R.S., Ch. 1384.)

16 Sec. 3816.156. ASSESSMENTS. (a) The board by resolution  
17 may impose and collect an assessment for any purpose authorized by  
18 this chapter.

19 (b) The district may impose an assessment against any  
20 property of the City of Frisco in the district. Payment of an  
21 assessment by another exempt jurisdiction must be established by  
22 contract.

23 (c) The board may apportion the cost of an improvement  
24 project or service to be assessed against property in the district  
25 on all property in the district according to a finding of the board  
26 that the improvement project or service benefits all property in  
27 the district.

1           (d) The board may include two or more types of improvements  
2 and services in one assessment proceeding. The board may conduct  
3 separate assessment proceedings as the district undertakes  
4 improvement projects or the provision of services.

5           (e) The board may adjust annual assessments for services in  
6 accordance with an annual budget the board adopts for the provision  
7 of those services. An annual adjustment may not exceed the annual  
8 amount set forth in the original assessment proceedings except  
9 after public notice and hearing on the increase.

10          (f) The board, after notice and hearing as provided by  
11 Subchapter F, Chapter 375, Local Government Code, may:

12               (1) correct, add to, or delete assessments from its  
13 assessment rolls; and

14               (2) collect assessments after making the corrections,  
15 additions, or deletions. (Loc. Gov. Code, Secs. 376.463(e),  
16 376.470, as added Acts 77th Leg., R.S., Ch. 1384.)

17          Sec. 3816.157. LIENS FOR ASSESSMENTS. (a) An assessment,  
18 including an assessment resulting from an addition to or correction  
19 of the assessment roll by the district, a reassessment, penalties  
20 and interest on an assessment or reassessment, an expense of  
21 collection, and reasonable attorney's fees incurred by the  
22 district:

23               (1) are a first and prior lien against the property  
24 assessed;

25               (2) are superior to any other lien or claim other than  
26 a lien or claim for county, school district, or municipal ad valorem  
27 taxes; and



1           (3) are the personal liability of and a charge against  
2 the owners of the property even if the owners are not named in the  
3 assessment proceeding.

4           (b) The lien is effective from the date of the board's  
5 resolution imposing the assessment until the date the assessment is  
6 paid. The board may enforce the lien in the same manner that the  
7 board may enforce an ad valorem tax lien against real property.  
8 (Loc. Gov. Code, Sec. 376.471, as added Acts 77th Leg., R.S., Ch.  
9 1384.)

10          Sec. 3816.158. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS AND  
11 IMPACT FEES. The district may not impose an assessment or impact  
12 fee on the property of a person that provides gas, electricity,  
13 telephone, sewage, or water service to the public. (Loc. Gov. Code,  
14 Secs. 376.453(5), 376.472, as added Acts 77th Leg., R.S., Ch.  
15 1384.)

16          Sec. 3816.159. ELECTIONS REGARDING TAXES OR BONDS. (a) In  
17 addition to the elections required under Subchapter L, Chapter 375,  
18 Local Government Code, the district must hold an election in the  
19 manner provided by that subchapter to obtain voter approval before  
20 the district may:

21               (1) impose a maintenance tax; or  
22               (2) issue a bond payable from ad valorem taxes or  
23 assessments.

24          (b) The board may include more than one purpose in a single  
25 proposition at an election.

26          (c) If the district obtains the written consent of all  
27 property owners in the district to impose a maintenance tax or issue

bonds payable from ad valorem taxes or assessments, the district is exempt from the election requirement under Subsection (a) and may cancel an election called under Subsection (a). (Loc. Gov. Code, Sec. 376.468, as added Acts 77th Leg., R.S., Ch. 1384.)

Sec. 3816.160. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT OBLIGATIONS. Except as provided by Section 375.263, Local Government Code, a municipality is not required to pay a bond, note, or other obligation of the district. (Loc. Gov. Code, Sec. 376.473(d), as added Acts 77th Leg., R.S., Ch. 1384.)

[Sections 3816.161-3816.200 reserved for expansion]

#### SUBCHAPTER E. DISSOLUTION

Sec. 3816.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBT. (a) The board may dissolve the district regardless of whether the district has debt. Section 375.264, Local Government Code, does not apply to the district.

(b) If the district has debt when it is dissolved, the district shall remain in existence solely for the purpose of discharging its debts. The dissolution is effective when all debts have been discharged. (Loc. Gov. Code, Sec. 376.476, as added Acts 77th Leg., R.S., Ch. 1384.)

#### CHAPTER 3817. ALDINE COMMUNITY IMPROVEMENT DISTRICT

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3817.001. DEFINITIONS

Sec. 3817.002. ALDINE COMMUNITY IMPROVEMENT DISTRICT

Sec. 3817.003. PURPOSE; DECLARATION OF INTENT

Sec. 3817.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

Sec. 3817.005. DISTRICT TERRITORY

1   Sec. 3817.006.   APPLICABILITY OF OTHER LAW  
2   Sec. 3817.007.   LIBERAL CONSTRUCTION OF CHAPTER  
3                   [Sections 3817.008-3817.050 reserved for expansion]  
4                   SUBCHAPTER B.   BOARD OF DIRECTORS  
5   Sec. 3817.051.   BOARD OF DIRECTORS; TERMS  
6   Sec. 3817.052.   APPOINTMENT AND REMOVAL OF DIRECTORS  
7   Sec. 3817.053.   QUORUM  
8                   [Sections 3817.054-3817.100 reserved for expansion]  
9                   SUBCHAPTER C.   POWERS AND DUTIES  
10   Sec. 3817.101.   EXERCISE OF POWERS OF DEVELOPMENT  
11                   CORPORATION  
12   Sec. 3817.102.   NONPROFIT CORPORATION  
13   Sec. 3817.103.   CONTRACT WITH POLITICAL SUBDIVISION  
14   Sec. 3817.104.   AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT  
15   Sec. 3817.105.   APPROVAL BY CITY OF HOUSTON  
16   Sec. 3817.106.   ANNEXATION OF CERTAIN TERRITORY BY GOVERNING  
17                   BODY OF MUNICIPALITY  
18                   [Sections 3817.107-3817.150 reserved for expansion]  
19                   SUBCHAPTER D.   FINANCIAL PROVISIONS  
20   Sec. 3817.151.   DISBURSEMENTS AND TRANSFERS OF MONEY  
21   Sec. 3817.152.   BOARD VOTE REQUIRED TO AUTHORIZE TAXES,  
22                   ASSESSMENTS, IMPACT FEES, OR BONDS  
23   Sec. 3817.153.   MAINTENANCE TAX  
24   Sec. 3817.154.   SALES AND USE TAX  
25   Sec. 3817.155.   ASSESSMENTS; LIENS FOR ASSESSMENTS  
26   Sec. 3817.156.   PROPERTY EXEMPT FROM IMPACT FEES  
27                   AND ASSESSMENTS

1 Sec. 3817.157. ELECTIONS REGARDING TAXES OR BONDS

2 Sec. 3817.158. MUNICIPALITY NOT REQUIRED TO PAY

3 DISTRICT OBLIGATIONS

4 [Sections 3817.159-3817.200 reserved for expansion]

5 SUBCHAPTER E. DISSOLUTION

6 Sec. 3817.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING

7 DEBT

8 CHAPTER 3817. ALDINE COMMUNITY IMPROVEMENT DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3817.001. DEFINITIONS. In this chapter:

11 (1) "Board" means the board of directors of the  
12 district.

13 (2) "District" means the Aldine Community Improvement  
14 District. (Loc. Gov. Code, Secs. 376.453(1), (3), as added Acts  
15 77th Leg., R.S., Ch. 1433.)

16 Sec. 3817.002. ALDINE COMMUNITY IMPROVEMENT DISTRICT. The  
17 Aldine Community Improvement District is a special district created  
18 under Section 59, Article XVI, Texas Constitution. (Loc. Gov.  
19 Code, Sec. 376.451(a), as added Acts 77th Leg., R.S., Ch. 1433.)

20 Sec. 3817.003. PURPOSE; DECLARATION OF INTENT. (a) The  
21 creation of the district is essential to accomplish the purposes of  
22 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
23 Texas Constitution, and other public purposes stated in this  
24 chapter.

25 (b) The creation of the district is necessary to promote,  
26 develop, encourage, and maintain employment, commerce,  
27 transportation, housing, tourism, recreation, the arts,

1 entertainment, economic development, safety, and the public  
2 welfare in the Aldine Community area of Harris County.

3 (c) This chapter and the creation of the district may not be  
4 interpreted to relieve Harris County from providing the level of  
5 services provided as of June 17, 2001, to the area in the district  
6 or to release the county from the obligations of the county to  
7 provide services to that area. The district is created to  
8 supplement and not to supplant the county services provided in the  
9 area in the district. (Loc. Gov. Code, Sec. 376.452, as added Acts  
10 77th Leg., R.S., Ch. 1433.)

11 Sec. 3817.004. FINDINGS OF BENEFIT AND PUBLIC  
12 PURPOSE. (a) The district is created to serve a public use and  
13 benefit.

14 (b) All land and other property included in the district  
15 will benefit from the improvements and services to be provided by  
16 the district under powers conferred by Sections 52 and 52-a,  
17 Article III, and Section 59, Article XVI, Texas Constitution, and  
18 other powers granted under this chapter.

19 (c) The creation of the district is in the public interest  
20 and is essential to:

21 (1) further the public purposes of developing and  
22 diversifying the economy of the state;

23 (2) eliminate unemployment and underemployment; and

24 (3) develop or expand transportation and commerce.

25 (d) The district will:

26 (1) promote the health, safety, and general welfare of  
27 residents, employers, potential employees, employees, visitors,

1 and consumers in the district, and of the public;

2 (2) provide needed funding for the Aldine Community  
3 area to preserve, maintain, and enhance the economic health and  
4 vitality of the area as a community and business center; and

5 (3) promote the health, safety, welfare, and enjoyment  
6 of the public by providing pedestrian ways and by landscaping and  
7 developing certain areas in the district, which are necessary for  
8 the restoration, preservation, and enhancement of scenic beauty.

9 (e) Pedestrian ways along or across a street, whether at  
10 grade or above or below the surface, and street lighting, street  
11 landscaping, and street art objects are parts of and necessary  
12 components of a street and are considered to be a street or road  
13 improvement.

14 (f) The district will not act as the agent or  
15 instrumentality of any private interest even though the district  
16 will benefit many private interests as well as the public. (Loc.  
17 Gov. Code, Sec. 376.456, as added Acts 77th Leg., R.S., Ch. 1433.)

18 Sec. 3817.005. DISTRICT TERRITORY. (a) The district is  
19 composed of the territory described by Section 1, Chapter 1433,  
20 Acts of the 77th Legislature, Regular Session, 2001, enacting  
21 former Section 376.454, Local Government Code, as that territory  
22 may have been modified under:

23 (1) Section 3817.106 or its predecessor statute,  
24 former Section 376.476, Local Government Code, as added by Section  
25 1, Chapter 1433, Acts of the 77th Legislature, Regular Session,  
26 2001;

27 (2) Subchapter J, Chapter 49, Water Code; or

1           (3) other law.

2           (b) The boundaries and field notes of the district contained  
3 in Section 1, Chapter 1433, Acts of the 77th Legislature, Regular  
4 Session, 2001, enacting former Section 376.454, Local Government  
5 Code, form a closure. A mistake in the field notes or in copying the  
6 field notes in the legislative process does not in any way affect  
7 the district's:

8           (1) organization, existence, or validity;

9           (2) right to issue any type of bond for a purpose for  
10 which the district is created or to pay the principal of and  
11 interest on the bond;

12           (3) right to impose or collect an assessment or tax; or

13           (4) legality or operation. (Loc. Gov. Code, Sec.  
14 376.455, as added Acts 77th Leg., R.S., Ch. 1433; New.)

15       Sec. 3817.006. APPLICABILITY OF OTHER LAW. Except as  
16 otherwise provided by this chapter, Chapter 375, Local Government  
17 Code, applies to the district. (Loc. Gov. Code, Sec. 376.457, as  
18 added Acts 77th Leg., R.S., Ch. 1433.)

19       Sec. 3817.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
20 chapter shall be liberally construed in conformity with the  
21 findings and purposes stated in this chapter. (Loc. Gov. Code, Sec.  
22 376.458, as added Acts 77th Leg., R.S., Ch. 1433.)

23       [Sections 3817.008-3817.050 reserved for expansion]

24                       SUBCHAPTER B. BOARD OF DIRECTORS

25       Sec. 3817.051. BOARD OF DIRECTORS; TERMS. (a) The  
26 district is governed by a board of nine directors who serve  
27 staggered terms of four years with four or five directors' terms

1 expiring June 1 of each odd-numbered year.

2 (b) One director must be a resident of the district.

3 (c) The board by resolution may change the number of  
4 directors on the board, but only if the board determines that the  
5 change is in the best interest of the district, subject to Section  
6 375.061, Local Government Code. (Loc. Gov. Code, Sec. 376.459, as  
7 added Acts 77th Leg., R.S., Ch. 1433.)

8 Sec. 3817.052. APPOINTMENT AND REMOVAL OF DIRECTORS.  
9 Sections 375.064 and 375.065, Local Government Code, govern the  
10 appointment and removal of directors, except that for purposes of  
11 this chapter references in those sections to the governing body of  
12 the municipality mean the commissioners court of Harris County.  
13 (Loc. Gov. Code, Sec. 376.460, as added Acts 77th Leg., R.S., Ch.  
14 1433.)

15 Sec. 3817.053. QUORUM. (a) Section 375.071, Local  
16 Government Code, does not apply to the district.

17 (b) One-half of the board constitutes a quorum.

18 (c) Except as provided by Section 3817.152, a concurrence of  
19 a majority of a quorum is required for any official district action.  
20 (Loc. Gov. Code, Sec. 376.461, as added Acts 77th Leg., R.S., Ch.  
21 1433.)

22 [Sections 3817.054-3817.100 reserved for expansion]

23 SUBCHAPTER C. POWERS AND DUTIES

24 Sec. 3817.101. EXERCISE OF POWERS OF DEVELOPMENT  
25 CORPORATION. The district may exercise the powers of a corporation  
26 created under Section 4B, Development Corporation Act of 1979  
27 (Article 5190.6, Vernon's Texas Civil Statutes). (Loc. Gov. Code,



1 Sec. 376.463, as added Acts 77th Leg., R.S., Ch. 1433.)

2 Sec. 3817.102. NONPROFIT CORPORATION. (a) The board by  
3 resolution may authorize the creation of a nonprofit corporation to  
4 assist and act for the district in implementing a project or  
5 providing a service authorized by this chapter.

6 (b) The nonprofit corporation:

7 (1) has each power of and is considered for purposes of  
8 this chapter to be a local government corporation created under  
9 Chapter 431, Transportation Code; and

10 (2) may implement any project and provide any service  
11 authorized by this chapter.

12 (c) The board shall appoint the board of directors of the  
13 nonprofit corporation. The board of directors of the nonprofit  
14 corporation shall serve in the same manner as, for the same term as,  
15 and on the same conditions as the board of directors of a local  
16 government corporation created under Chapter 431, Transportation  
17 Code. (Loc. Gov. Code, Sec. 376.466, as added Acts 77th Leg., R.S.,  
18 Ch. 1433.)

19 Sec. 3817.103. CONTRACT WITH POLITICAL SUBDIVISION. Harris  
20 County, the City of Houston, or another political subdivision of  
21 this state, without further authorization, may contract with the  
22 district to implement a project of the district or assist the  
23 district in providing a service authorized under this chapter. A  
24 contract under this section may:

25 (1) be for a period on which the parties agree;

26 (2) include terms on which the parties agree;

27 (3) be payable from taxes or any other source of

1 revenue that may be available for that project or service; and

2 (4) provide terms under which taxes or other revenue  
3 collected at a district project or from a person using or purchasing  
4 a commodity or service at a district project may be paid or rebated  
5 to the district. (Loc. Gov. Code, Sec. 376.465, as added Acts 77th  
6 Leg., R.S., Ch. 1433.)

7 Sec. 3817.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.

8 To protect the public interest, the district may contract with  
9 Harris County or the City of Houston for the county or the city to  
10 provide law enforcement services in the district for a fee. (Loc.  
11 Gov. Code, Sec. 376.464, as added Acts 77th Leg., R.S., Ch. 1433.)

12 Sec. 3817.105. APPROVAL BY CITY OF HOUSTON. (a) Except as  
13 provided by Subsection (b), the district must obtain the approval  
14 of the City of Houston's governing body:

15 (1) for the issuance of a bond for each improvement  
16 project;

17 (2) of the plans and specifications of the improvement  
18 project financed by the bond; and

19 (3) of the plans and specifications of any district  
20 improvement project related to the use of land owned by Harris  
21 County, an easement granted by Harris County, or a right-of-way of a  
22 street, road, or highway.

23 (b) If the district obtains the approval of the City of  
24 Houston's governing body of a capital improvements budget for a  
25 period not to exceed five years, the district may finance the  
26 capital improvements and issue bonds specified in the budget  
27 without further approval from the City of Houston. (Loc. Gov. Code,

1 Secs. 376.468(a), (b), (c), as added Acts 77th Leg., R.S., Ch.  
2 1433.)

3 Sec. 3817.106. ANNEXATION OF CERTAIN TERRITORY BY GOVERNING  
4 BODY OF MUNICIPALITY. (a) If territory in the City of Houston's  
5 limit or extraterritorial jurisdiction is included in the district,  
6 the city's governing body may remove that territory from the  
7 district if the district does not have any bonded indebtedness.

8 (b) To remove the territory, the governing body of the City  
9 of Houston must notify the board secretary in writing that the  
10 territory is excluded from the district's territory.

11 (c) If a municipality annexes territory that is in its  
12 extraterritorial jurisdiction and included in the district, the  
13 governing body of the municipality shall notify the board secretary  
14 in writing that the annexed territory is excluded from the  
15 district's territory. (Loc. Gov. Code, Sec. 376.476, as added Acts  
16 77th Leg., R.S., Ch. 1433.)

17 [Sections 3817.107-3817.150 reserved for expansion]

18 SUBCHAPTER D. FINANCIAL PROVISIONS

19 Sec. 3817.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
20 board by resolution shall establish the number of directors'  
21 signatures and the procedure required for a disbursement or  
22 transfer of the district's money. (Loc. Gov. Code, Sec. 376.467, as  
23 added Acts 77th Leg., R.S., Ch. 1433.)

24 Sec. 3817.152. BOARD VOTE REQUIRED TO AUTHORIZE TAXES,  
25 ASSESSMENTS, IMPACT FEES, OR BONDS. (a) A majority vote of the  
26 directors serving is required to authorize the imposition of a tax,  
27 assessment, or impact fee.

1 (b) The written consent of at least two-thirds of the full  
2 membership of the board is required to authorize the issuance of a  
3 bond. (Loc. Gov. Code, Sec. 376.462, as added Acts 77th Leg., R.S.,  
4 Ch. 1433.)

5 Sec. 3817.153. MAINTENANCE TAX. (a) If authorized at an  
6 election held in accordance with Section 3817.157, the district may  
7 impose an annual ad valorem tax on taxable property in the district  
8 to:

- 9 (1) maintain and operate the district;  
10 (2) construct or acquire improvements; or  
11 (3) provide a service.

12 (b) The board shall determine the tax rate. (Loc. Gov.  
13 Code, Sec. 376.471, as added Acts 77th Leg., R.S., Ch. 1433.)

14 Sec. 3817.154. SALES AND USE TAX. (a) The district may  
15 impose a sales and use tax if authorized by a majority of the voters  
16 of the district voting at an election called for that purpose.  
17 Revenue from the tax may be used for any purpose for which ad  
18 valorem tax revenue of the district may be used.

19 (b) The district may not adopt a sales and use tax if as a  
20 result of the adoption of the tax the combined rate of all sales and  
21 use taxes imposed by the district and other political subdivisions  
22 of this state having territory in the district would exceed two  
23 percent at any location in the district.

24 (c) If the voters of the district approve the adoption of  
25 the tax at an election held on the same election date on which  
26 another political subdivision adopts a sales and use tax or  
27 approves an increase in the rate of its sales and use tax and as a

1 result the combined rate of all sales and use taxes imposed by the  
2 district and other political subdivisions of this state having  
3 territory in the district would exceed two percent at any location  
4 in the district, the election to adopt a sales and use tax under  
5 this chapter has no effect. (Loc. Gov. Code, Sec. 376.470, as added  
6 Acts 77th Leg., R.S., Ch. 1433.)

7       Sec. 3817.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
8 The board by resolution may impose and collect an assessment for any  
9 purpose authorized by this chapter.

10       (b) An assessment, a reassessment, or an assessment  
11 resulting from an addition to or correction of the assessment roll  
12 by the district, penalties and interest on an assessment or  
13 reassessment, an expense of collection, and reasonable attorney's  
14 fees incurred by the district:

15               (1) are a first and prior lien against the property  
16 assessed;

17               (2) are superior to any other lien or claim other than  
18 a lien or claim for county, school district, or municipal ad valorem  
19 taxes; and

20               (3) are the personal liability of and a charge against  
21 the owners of the property even if the owners are not named in the  
22 assessment proceedings.

23       (c) The lien is effective from the date of the board's  
24 resolution imposing the assessment until the date the assessment is  
25 paid. The board may enforce the lien in the same manner that the  
26 board may enforce an ad valorem tax lien against real property.  
27 (Loc. Gov. Code, Sec. 376.469, as added Acts 77th Leg., R.S., Ch.

1433.)

Sec. 3817.156. PROPERTY EXEMPT FROM IMPACT FEES AND ASSESSMENTS. (a) In this section:

(1) "Electric utility" and "power generation company" have the meanings assigned by Section 31.002, Utilities Code.

(2) "Gas utility" has the meaning assigned by Sections 101.003 and 121.001, Utilities Code.

(3) "Telecommunications provider" has the meaning assigned by Section 51.002, Utilities Code.

(b) The district may not impose an impact fee or assessment under Chapter 375, Local Government Code, on a residential property, including a multiunit residential property, or a condominium.

(c) The district may not impose an impact fee or assessment on the property of an electric utility, gas utility, power generation company, or telecommunications provider. (Loc. Gov. Code, Sec. 376.473, as added Acts 77th Leg., R.S., Ch. 1433.)

Sec. 3817.157. ELECTIONS REGARDING TAXES OR BONDS. (a) In addition to the elections required under Subchapter L, Chapter 375, Local Government Code, the district must hold an election in the manner provided by that subchapter to obtain voter approval before the district may:

(1) impose a maintenance tax; or

(2) issue a bond payable from ad valorem taxes or assessments.

(b) The board may include more than one purpose in a single proposition at an election. (Loc. Gov. Code, Sec. 376.472, as added

Acts 77th Leg., R.S., Ch. 1433.)

Sec. 3817.158. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT OBLIGATIONS. Except as provided by Section 375.263, Local Government Code, a municipality is not required to pay a bond, note, or other obligation of the district. (Loc. Gov. Code, Sec. 376.468(d), as added Acts 77th Leg., R.S., Ch. 1433.)

[Sections 3817.159-3817.200 reserved for expansion]

#### SUBCHAPTER E. DISSOLUTION

Sec. 3817.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBT. (a) The board may dissolve the district regardless of whether the district has debt. Section 375.264, Local Government Code, does not apply to the district.

(b) If the district has debt when it is dissolved, the district shall remain in existence solely for the purpose of discharging its debts. The dissolution is effective when all debts have been discharged. (Loc. Gov. Code, Sec. 376.475, as added Acts 77th Leg., R.S., Ch. 1433.)

[Chapters 3818-5000 reserved for expansion]

#### TITLE 5. TRANSPORTATION

##### SUBTITLE A. NAVIGATION DISTRICTS AND PORT AUTHORITIES

##### CHAPTER 5001. ARANSAS COUNTY NAVIGATION DISTRICT NO. 1

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 5001.001. DEFINITION

Sec. 5001.002. NATURE OF DISTRICT

Sec. 5001.003. DISTRICT TERRITORY

Sec. 5001.004. GOVERNANCE OF DISTRICT

[Sections 5001.005-5001.050 reserved for expansion]

SUBCHAPTER B. DISTRICT PROMOTION AND DEVELOPMENT FUND

Sec. 5001.051. DEFINITIONS

Sec. 5001.052. AUTHORITY TO CREATE FUND

Sec. 5001.053. LIMITATION ON DEPOSITS TO FUND

Sec. 5001.054. SEPARATE FUND

Sec. 5001.055. AUTHORIZED EXPENDITURES OF MONEY IN FUND

Sec. 5001.056. CONTROL OVER FUND AND EXPENDITURES

Sec. 5001.057. DUTIES OF COUNTY AUDITOR IN RELATION

TO FUND

Sec. 5001.058. EFFECT OF FUND ON OTHER EXPENDITURES

CHAPTER 5001. ARANSAS COUNTY NAVIGATION DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 5001.001. DEFINITION. In this chapter, "district" means the Aransas County Navigation District No. 1. (New.)

Sec. 5001.002. NATURE OF DISTRICT. The district is a navigation district operating under Section 59, Article XVI, Texas Constitution. (Acts 51st Leg., R.S., Ch. 213, Sec. 1 (part).)

Sec. 5001.003. DISTRICT TERRITORY. The district is composed of all the territory in Aransas County, unless the district territory is modified under:

(1) Section 3 or 3a, Chapter 103, Acts of the 41st Legislature, 1st Called Session, 1929 (Article 8263a, Vernon's Texas Civil Statutes), after May 14, 1949, and before August 30, 1971;

(2) Subchapter H, Chapter 62, Water Code; or

(3) other law. (Acts 51st Leg., R.S., Ch. 213, Sec. 1 (part); New.)



1           Sec. 5001.004. GOVERNANCE OF DISTRICT. The district is  
2 governed by Chapter 62, Water Code, and all statutes relating to a  
3 navigation district created under that chapter. (Acts 51st Leg.,  
4 R.S., Ch. 213, Sec. 1 (part).)

5           [Sections 5001.005-5001.050 reserved for expansion]

6           SUBCHAPTER B. DISTRICT PROMOTION AND DEVELOPMENT FUND

7           Sec. 5001.051. DEFINITIONS. In this subchapter:

8                 (1) "Commission" means the navigation and canal  
9 commission of the district.

10                (2) "Fund" means a promotion and development fund  
11 created by the district. (New.)

12           Sec. 5001.052. AUTHORITY TO CREATE FUND. The district may  
13 create a promotion and development fund. (Acts 51st Leg., R.S., Ch.  
14 213, Sec. 4A (part).)

15           Sec. 5001.053. LIMITATION ON DEPOSITS TO FUND. The  
16 district may deposit to the credit of the fund not more than five  
17 percent of its gross income from operations in a calendar year.  
18 (Acts 51st Leg., R.S., Ch. 213, Sec. 4A (part).)

19           Sec. 5001.054. SEPARATE FUND. (a) Money in the promotion  
20 and development fund shall be kept separate from all other funds and  
21 accounts of the district.

22                (b) Money derived from the imposition of taxes may not be  
23 deposited to the credit of the fund. (Acts 51st Leg., R.S., Ch.  
24 213, Sec. 4C(a).)

25           Sec. 5001.055. AUTHORIZED EXPENDITURES OF MONEY IN FUND.  
26 Money in the fund may be spent by the commission, or as the  
27 commission may direct, to pay any expense connected with:

1           (1) an activity or matter incidental to the  
2 advertising, development, or promotion of the district or a port,  
3 waterway, harbor, or terminal of the district;

4           (2) the furtherance of the general welfare of the  
5 district or a facility of the district; or

6           (3) the improvement of the district's relations with a  
7 steamship or rail line, a shipper, a consignee of freight, a  
8 government official, or another person interested or thought to be  
9 interested in a port, waterway, harbor, or terminal of the  
10 district. (Acts 51st Leg., R.S., Ch. 213, Sec. 4B.)

11       Sec. 5001.056. CONTROL OVER FUND AND EXPENDITURES. The  
12 commission:

13           (1) has exclusive control over the fund; and

14           (2) is fully responsible for auditing, approving, and  
15 safeguarding each expenditure of money from the fund. (Acts 51st  
16 Leg., R.S., Ch. 213, Sec. 4C(b).)

17       Sec. 5001.057. DUTIES OF COUNTY AUDITOR IN RELATION TO  
18 FUND. (a) The county auditor shall exercise the auditor's usual  
19 supervision and control to ensure that the commission complies with  
20 Section 5001.053.

21       (b) The county auditor may not audit expenditures from the  
22 fund but is entitled to receive a monthly statement that shows with  
23 respect to each expenditure:

24           (1) the date of the expenditure;

25           (2) the amount of the expenditure;

26           (3) the person or entity who received the expenditure;

27 and

(4) the general purpose of the expenditure. (Acts  
51st Leg., R.S., Ch. 213, Sec. 4C(c).)

Sec. 5001.058. EFFECT OF FUND ON OTHER EXPENDITURES. The  
creation of the fund or an expenditure of money from the fund does  
not affect the payment of any expense that is customarily approved,  
audited, or paid out of the regular funds of the district. (Acts  
51st Leg., R.S., Ch. 213, Sec. 4D (part).)

[Chapters 5002-5200 reserved for expansion]

SUBTITLE B. ROAD AND ROAD UTILITY DISTRICTS

[Chapters 5201-6600 reserved for expansion]

TITLE 6. WATER AND WASTEWATER

SUBTITLE A. DRAINAGE DISTRICTS

CHAPTER 6601. ANGLETON DRAINAGE DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 6601.001. DEFINITIONS

Sec. 6601.002. NATURE OF DISTRICT

Sec. 6601.003. LEGISLATIVE FINDINGS

Sec. 6601.004. DISTRICT TERRITORY

[Sections 6601.005-6601.050 reserved for expansion]

SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

Sec. 6601.051. BOARD OF DIRECTORS

Sec. 6601.052. BALLOT APPLICATION DEADLINE

Sec. 6601.053. QUALIFICATIONS

Sec. 6601.054. MEETINGS

Sec. 6601.055. ADDITIONAL DIRECTORS

Sec. 6601.056. SPECIAL ELECTION

[Sections 6601.057-6601.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 6601.101. POWERS AND DUTIES

Sec. 6601.102. DISTRICT POWERS

Sec. 6601.103. EMINENT DOMAIN

Sec. 6601.104. COST OF RELOCATING PROPERTY

Sec. 6601.105. ADDITION OF TERRITORY TO DISTRICT

Sec. 6601.106. MOSQUITO HAZARD

Sec. 6601.107. AWARD OF CONTRACTS

[Sections 6601.108-6601.150 reserved for expansion]

SUBCHAPTER D. BONDS AND TAXES

Sec. 6601.151. LIMITATION ON DEBT

Sec. 6601.152. APPROVAL BY TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

Sec. 6601.153. CONTINUATION OF PREVIOUS MAINTENANCE TAX

Sec. 6601.154. DISTRICT TAX ASSESSOR AND COLLECTOR

CHAPTER 6601. ANGLETON DRAINAGE DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 6601.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "Director" means a member of the board.

(3) "District" means the Angleton Drainage District.

(New.)

Sec. 6601.002. NATURE OF DISTRICT. (a) The Angleton Drainage District is a conservation and reclamation district re-created under Section 59, Article XVI, Texas Constitution, for the reclamation and drainage of the district's overflowed lands and

1 other lands needing drainage.

2 (b) The district is a municipal corporation. (Acts 57th  
3 Leg., 3rd C.S., Ch. 43, Secs. 1 (part), 2 (part), 12 (part).)

4 Sec. 6601.003. LEGISLATIVE FINDINGS. The legislature finds  
5 that:

6 (1) all land and other property included in the  
7 district is, and will be, benefited by the district and by the  
8 improvements the district will purchase, construct, or otherwise  
9 acquire;

10 (2) the district is created to serve a public use and  
11 benefit; and

12 (3) the district is essential to accomplish the  
13 purposes of Section 59, Article XVI, Texas Constitution. (Acts  
14 57th Leg., 3rd C.S., Ch. 43, Secs. 10, 12 (part).)

15 Sec. 6601.004. DISTRICT TERRITORY. The district is  
16 composed of the territory described by Section 1, Chapter 9,  
17 Special Laws, Acts of the 41st Legislature, 4th Called Session,  
18 1930, as referenced by Section 1, Chapter 43, Acts of the 57th  
19 Legislature, 3rd Called Session, 1962, as that territory may have  
20 been modified under:

21 (1) Section 6601.105 or its predecessor statute,  
22 Section 11, Chapter 43, Acts of the 57th Legislature, 3rd Called  
23 Session, 1962;

24 (2) Chapter 4, Title 128, Revised Statutes, before  
25 August 30, 1971;

26 (3) Subchapter G, Chapter 53, Water Code, before  
27 September 1, 1995;

- 1           (4) Subchapter J, Chapter 49, Water Code; or  
2           (5) other law. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec.  
3 1 (part); New.)

4           [Sections 6601.005-6601.050 reserved for expansion]

5           SUBCHAPTER B. DISTRICT BOARD OF DIRECTORS

6           Sec. 6601.051. BOARD OF DIRECTORS. The board consists of  
7 three directors. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 3 (part).)

8           Sec. 6601.052. BALLOT APPLICATION DEADLINE. An application  
9 for a place on the ballot for a directors election must be filed  
10 with the secretary of the district not later than the 30th day  
11 before the date of the election. (Acts 57th Leg., 3rd C.S., Ch. 43,  
12 Sec. 3 (part).)

13          Sec. 6601.053. QUALIFICATIONS. A candidate for director  
14 must:

- 15           (1) be more than 21 years of age; and  
16           (2) own land subject to taxation in the district.  
17 (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 3 (part).)

18          Sec. 6601.054. MEETINGS. The board shall meet at:

- 19           (1) the Angleton City Hall at 7:30 p.m. on the first  
20 Tuesday in February, May, August, and November of each year; or  
21           (2) other times and places as decided by the board.  
22 (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 3 (part).)

23          Sec. 6601.055. ADDITIONAL DIRECTORS. (a) If territory is  
24 added to the district and the board considers it advisable, the size  
25 of the board may be increased to not more than five directors.

26           (b) If the size of the board is increased, the board shall  
27 appoint the appropriate number of qualified persons to serve as

1 directors until successor directors are elected at the next regular  
2 election of directors. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 4.)

3 Sec. 6601.056. SPECIAL ELECTION. (a) If the number of  
4 directors is reduced to one, the remaining director shall call a  
5 special election to fill the vacancies. If the remaining director  
6 fails to call the special election before the 16th day after the  
7 date the vacancies occur, the county judge of Brazoria County may  
8 order a special election on petition of any resident of the  
9 district.

10 (b) The election shall be conducted and notice shall be  
11 given in the manner provided by Section 49.106, Water Code, for bond  
12 elections of the district. (Acts 57th Leg., 3rd C.S., Ch. 43, Sec.  
13 3 (part).)

14 [Sections 6601.057-6601.100 reserved for expansion]

15 SUBCHAPTER C. POWERS AND DUTIES

16 Sec. 6601.101. POWERS AND DUTIES. (a) To accomplish the  
17 purposes of Section 6601.002(a), the district has all the rights,  
18 powers, privileges, and duties conferred and imposed by general law  
19 on fresh water supply districts created under Section 59, Article  
20 XVI, Texas Constitution, including the power to conserve,  
21 transport, and distribute fresh water.

22 (b) This chapter prevails over a general law described by  
23 Subsection (a) that conflicts or is inconsistent with this chapter.  
24 (Acts 57th Leg., 3rd C.S., Ch. 43, Sec. 2 (part).)

25 Sec. 6601.102. DISTRICT POWERS. (a) The district may  
26 construct, acquire, improve, enlarge, extend, repair, maintain, or  
27 replace all walls, dams, dikes, levees, embankments, canals,

1 drains, tanks, laterals, and pumps that the board considers  
2 necessary to accomplish district purposes.

3 (b) The district may make, construct, or otherwise acquire  
4 improvements in or outside district boundaries as necessary to  
5 implement the powers granted by this chapter and general law. (Acts  
6 57th Leg., 3rd C.S., Ch. 43, Sec. 2 (part).)

7 Sec. 6601.103. EMINENT DOMAIN. (a) Not by way of  
8 limitation, the district may exercise the right of eminent domain  
9 to acquire the right-of-way over and through private land, except  
10 property used for cemetery purposes, as the board determines  
11 necessary for making the district's canals, drains, ditches,  
12 levees, and other improvements and the necessary outlets for those  
13 improvements. The power of eminent domain is limited to Brazoria  
14 County.

15 (b) Right-of-way in a municipality may not be condemned  
16 without the consent of the governing body of the municipality.

17 (c) The proceedings shall be in the name of the district and  
18 under the direction of its board.

19 (d) An appeal of the findings and damage assessment by the  
20 special commissioners does not suspend the work of the directors in  
21 prosecuting the work in all of its details. (Acts 57th Leg., 3rd  
22 C.S., Ch. 43, Sec. 2 (part).)

23 Sec. 6601.104. COST OF RELOCATING PROPERTY. (a) In this  
24 section, "sole expense" means the actual cost of relocating,  
25 raising, lowering, rerouting, changing the grade of, or altering  
26 the construction of a facility described in Subsection (b) in  
27 providing comparable replacement without enhancement of the



1 facility, after deducting from that cost the net salvage value of  
2 the old facility.

3 (b) If the district, in the exercise of the power of eminent  
4 domain or relocation or another power granted under this chapter,  
5 makes necessary the relocating, raising, rerouting, changing the  
6 grade of, or altering the construction of a highway, a railroad, an  
7 electric transmission line, telephone or telegraph properties and  
8 facilities, or a pipeline, the necessary relocating, raising,  
9 rerouting, changing of grade, or alteration of construction shall  
10 be accomplished at the sole expense of the district. (Acts 57th  
11 Leg., 3rd C.S., Ch. 43, Sec. 2 (part).)

12 Sec. 6601.105. ADDITION OF TERRITORY TO DISTRICT. (a) In  
13 addition to adding territory as provided by Subchapter J, Chapter  
14 49, Water Code, the district may add territory as provided by this  
15 section. Territory added to the district need not be contiguous to  
16 the district.

17 (b) The owner or owners of land may request by petition that  
18 the board include the land in the district.

19 (c) A petition under Subsection (b) must be filed with the  
20 board and describe the land to be added to the district. The  
21 description may be by metes and bounds or by lot and block number.  
22 The petition must be signed and executed in the manner provided by  
23 law for the conveyance of real estate.

24 (d) The board shall hear and consider a petition filed under  
25 this section. The board may add the land to the district if the  
26 board considers the addition to be to the advantage of the district.

27 (e) A petition granted under this section shall be filed and

1 recorded in the deed records of Brazoria County. (Acts 57th Leg.,  
2 3rd C.S., Ch. 43, Sec. 11.)

3 Sec. 6601.106. MOSQUITO HAZARD. (a) The legislature  
4 finds that to properly drain and reclaim overflowed lands and other  
5 lands needing drainage within the district and to restore and  
6 preserve its waters for beneficial use, it is necessary to reduce  
7 and alleviate the mosquito hazard existing in and around the lands  
8 needing drainage.

9 (b) The board may purchase the equipment and supplies  
10 necessary to conduct mosquito control work and may pay for the labor  
11 necessary to operate and maintain the equipment from money  
12 available for that purpose.

13 (c) If the board determines that an election should be held  
14 to impose a tax for mosquito control work, the tax must be:

15 (1) submitted to the voters in a separate proposition  
16 from any bond tax, maintenance tax, or other tax of the district  
17 considered at the same election; and

18 (2) authorized in the manner provided by Section  
19 49.107, Water Code.

20 (d) The board may enter into a contract with a person, firm,  
21 partnership, or corporation as necessary to obtain and provide  
22 mosquito control. All available revenue accruing from the mosquito  
23 control may be used to defray the cost of the control.

24 (e) Section 311.005(2), Government Code (Code Construction  
25 Act), does not apply to this section. (Acts 57th Leg., 3rd C.S.,  
26 Ch. 43, Sec. 8; New.)

27 Sec. 6601.107. AWARD OF CONTRACTS. A contract for the

1 making or construction of a district improvement and all necessary  
2 work related to the improvement shall be awarded to the lowest  
3 responsible bidder in the manner provided by Article 7919, Revised  
4 Statutes, as amended, if the cost exceeds \$2,000. (Acts 57th Leg.,  
5 3rd C.S., Ch. 43, Sec. 2 (part).)

6 [Sections 6601.108-6601.150 reserved for expansion]

7 SUBCHAPTER D. BONDS AND TAXES

8 Sec. 6601.151. LIMITATION ON DEBT. The total principal  
9 amount of bonds that the district may have outstanding at any time  
10 may not exceed 10 percent of the assessed value of all taxable  
11 property in the district according to the most recent certified  
12 appraisal roll of the district. (Acts 57th Leg., 3rd C.S., Ch. 43,  
13 Sec. 2 (part).)

14 Sec. 6601.152. APPROVAL BY TEXAS COMMISSION ON  
15 ENVIRONMENTAL QUALITY. Before the district spends any money  
16 received from the sale of its bonds, the district must submit the  
17 plans and specifications of the proposed improvements to the Texas  
18 Commission on Environmental Quality for approval. If any  
19 substantial changes are made in the plans, the changes must also be  
20 submitted to the commission for approval. (Acts 57th Leg., 3rd  
21 C.S., Ch. 43, Sec. 2 (part).)

22 Sec. 6601.153. CONTINUATION OF PREVIOUS MAINTENANCE TAX.  
23 The district may continue to levy a maintenance tax authorized by  
24 Chapter 9, Special Laws, Acts of the 41st Legislature, 4th Called  
25 Session, 1930. (Acts 57th Leg., 3rd C.S., Ch. 43, Secs. 5 (part), 9  
26 (part).)

27 Sec. 6601.154. DISTRICT TAX ASSESSOR AND COLLECTOR. The

1 assessor and collector of taxes for Brazoria County is the assessor  
2 and collector of taxes for the district. (Acts 57th Leg., 3rd C.S.,  
3 Ch. 43, Sec. 5 (part).)

4 [Chapters 6602-6900 reserved for expansion]

5 SUBTITLE B. FRESH WATER SUPPLY DISTRICTS

6 CHAPTER 6901. BAYVIEW MUNICIPAL UTILITY DISTRICT  
7 OF GALVESTON COUNTY

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 6901.001. DEFINITIONS

10 Sec. 6901.002. NATURE OF DISTRICT

11 Sec. 6901.003. DECLARATION AND FINDINGS

12 Sec. 6901.004. TERRITORY OF DISTRICT

13 [Sections 6901.005-6901.050 reserved for expansion]

14 SUBCHAPTER B. POWERS AND DUTIES

15 Sec. 6901.051. GENERAL POWERS AND DUTIES

16 Sec. 6901.052. RELATION TO OTHER LAW

17 Sec. 6901.053. BOARD OF DIRECTORS

18 Sec. 6901.054. LIMITATION ON USE OF EMINENT DOMAIN

19 Sec. 6901.055. LIMITATION ON LENGTH OF CERTAIN CONTRACTS

20 Sec. 6901.056. INSTALLATION OF STREET LIGHTS

21 Sec. 6901.057. DISTRICT TAX ASSESSOR AND COLLECTOR

22 Sec. 6901.058. ADDITION OF TERRITORY TO DISTRICT

23 Sec. 6901.059. ACQUISITION OF IMPROVEMENTS

24 Sec. 6901.060. COST OF RELOCATING PROPERTY

25 CHAPTER 6901. BAYVIEW MUNICIPAL UTILITY DISTRICT OF  
26 GALVESTON COUNTY

27 SUBCHAPTER A. GENERAL PROVISIONS

1           Sec. 6901.001. DEFINITIONS. In this chapter:

2                   (1) "Board" means the board of directors of the  
3 district.

4                   (2) "District" means the Bayview Municipal Utility  
5 District of Galveston County, Texas. (V.A.C.S. Art. 8280-287, Sec.  
6 1 (part); New.)

7           Sec. 6901.002. NATURE OF DISTRICT. The Bayview Municipal  
8 Utility District of Galveston County is:

9                   (1) a conservation and reclamation district  
10 established under Section 59, Article XVI, Texas Constitution; and

11                   (2) a fresh water supply district. (V.A.C.S.  
12 Art. 8280-287, Secs. 1 (part), 7 (part).)

13           Sec. 6901.003. DECLARATION AND FINDINGS. (a) The  
14 legislature declares that the district is:

15                   (1) essential to the accomplishment of the purposes of  
16 Section 59, Article XVI, Texas Constitution; and

17                   (2) a municipal corporation.

18           (b) The legislature finds that:

19                   (1) the district is created to serve a public use and  
20 benefit; and

21                   (2) all land and other property included in the  
22 district are, and will be, benefited by the creation of the district  
23 and the improvements that the district purchases, constructs, or  
24 otherwise acquires. (V.A.C.S. Art. 8280-287, Secs. 7 (part), 8.)

25           Sec. 6901.004. TERRITORY OF DISTRICT. The district is  
26 composed of the territory described by Section 1, Chapter 245, Acts  
27 of the 58th Legislature, Regular Session, 1963 (V.A.C.S.

Art. 8280-287), as that territory may have been modified under:

(1) Section 6901.058 or its predecessor statute, Section 5, Chapter 245, Acts of the 58th Legislature, Regular Session, 1963 (V.A.C.S. Art. 8280-287);

(2) Chapter 4, Title 128, Revised Statutes, before August 30, 1971;

(3) Subchapter G, Chapter 53, Water Code, before September 1, 1995;

(4) Subchapter J, Chapter 49, Water Code; or

(5) other law. (New.)

[Sections 6901.005-6901.050 reserved for expansion]

#### SUBCHAPTER B. POWERS AND DUTIES

Sec. 6901.051. GENERAL POWERS AND DUTIES. The district has all the rights, powers, privileges, and duties conferred and imposed by a general law of this state on a fresh water supply district created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 53, Water Code. (V.A.C.S. Art. 8280-287, Sec. 2 (part).)

Sec. 6901.052. RELATION TO OTHER LAW. This chapter prevails over a provision of a general law described by Section 6901.051 that conflicts with or is inconsistent with this chapter. (V.A.C.S. Art. 8280-287, Sec. 2 (part).)

Sec. 6901.053. BOARD OF DIRECTORS. The board consists of five directors. (V.A.C.S. Art. 8280-287, Sec. 3 (part).)

Sec. 6901.054. LIMITATION ON USE OF EMINENT DOMAIN. The district may not exercise the power of eminent domain outside the boundaries of the district. (V.A.C.S. Art. 8280-287, Sec. 2

(part).)

Sec. 6901.055. LIMITATION ON LENGTH OF CERTAIN CONTRACTS.

A district contract for the purchase or sale of water may not exceed 40 years. (V.A.C.S. Art. 8280-287, Sec. 2 (part).)

Sec. 6901.056. INSTALLATION OF STREET LIGHTS. (a) After voter approval, the district may:

(1) install, operate, and maintain street lighting within a public utility easement or public right-of-way inside the district's boundaries; and

(2) assess the cost of installing, operating, and maintaining the street lighting as an additional charge in the monthly billings of the district's customers.

(b) This section does not authorize the district to install, operate, or maintain street lighting on a right-of-way that is part of the designated state highway system. (V.A.C.S. Art. 8280-287, Sec. 2A.)

Sec. 6901.057. DISTRICT TAX ASSESSOR AND COLLECTOR. (a) The board shall appoint a tax assessor and collector for the district for a period not to exceed the term of office of the directors making the appointment.

(b) The district's tax assessor and collector is not required to be a resident or voter of the district. (V.A.C.S. Art. 8280-287, Sec. 4 (part).)

Sec. 6901.058. ADDITION OF TERRITORY TO DISTRICT. (a) In addition to the method of adding territory to a district provided by Subchapter J, Chapter 49, Water Code, the district may add territory as provided by this section.

1           (b) The owner or owners of land may request by petition that  
2 the board include the land in the district.

3           (c) A petition under Subsection (b) must be filed with the  
4 board and describe the land to be added to the district. The  
5 description may be by metes and bounds or by lot and block number.  
6 The petition must be signed and executed in the manner provided by  
7 law for the conveyance of real estate.

8           (d) The board shall hear and consider a petition filed under  
9 this section. The board may add the land to the district if the  
10 board considers the addition to be to the advantage of the district.

11           (e) A petition granted under this section shall be filed and  
12 recorded in the deed records of Galveston County. (V.A.C.S.  
13 Art. 8280-287, Sec. 5.)

14           Sec. 6901.059. ACQUISITION OF IMPROVEMENTS. The district  
15 may make, construct, or otherwise acquire improvements inside or  
16 outside the district that are necessary or convenient to execute a  
17 power granted to the district under this chapter or a general law  
18 described in Section 6901.051. (V.A.C.S. Art. 8280-287, Sec. 2  
19 (part).)

20           Sec. 6901.060. COST OF RELOCATING PROPERTY. (a) In this  
21 section "sole expense" means the actual cost of the relocating,  
22 raising, lowering, rerouting, changing the grade of, or altering  
23 the construction of a facility described in Subsection (b) in  
24 providing comparable replacement without enhancement of the  
25 facility, after deducting from that cost the net salvage value of  
26 the old facility.

27           (b) If the district, in the exercise of the power of eminent



domain or relocation or another power granted under this chapter, makes necessary the relocating, raising, rerouting, changing the grade of, or altering the construction of a highway, a railroad, an electric transmission line, telephone or telegraph properties and facilities, or a pipeline, the necessary relocating, raising, rerouting, changing of grade, or alteration of construction shall be accomplished at the sole expense of the district. (V.A.C.S. Art. 8280-287, Sec. 2 (part).)

[Chapters 6902-7200 reserved for expansion]

SUBTITLE C. SPECIAL UTILITY DISTRICTS

[Chapters 7201-7500 reserved for expansion]

SUBTITLE D. IRRIGATION DISTRICTS

[Chapters 7501-7800 reserved for expansion]

SUBTITLE E. LEVEE IMPROVEMENT DISTRICTS

CHAPTER 7801. BOIS D'ARC ISLAND LEVEE IMPROVEMENT

DISTRICT OF DALLAS AND KAUFMAN COUNTIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7801.001. DEFINITIONS

Sec. 7801.002. APPLICABILITY OF OTHER LAW

[Sections 7801.003-7801.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS AND OFFICERS

Sec. 7801.051. BOARD

Sec. 7801.052. TREASURER

[Sections 7801.053-7801.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7801.101. POWERS AND DUTIES OF BOARD

Sec. 7801.102. IMPOSITION OF TAXES

1 Sec. 7801.103. ESTABLISHING MINIMUM BENEFIT BASIS

2 Sec. 7801.104. EXCLUSION OF LAND FROM DISTRICT

3 Sec. 7801.105. CONVEYANCE OF DISTRICT FACILITIES IN AN  
4 EXCLUDED AREA

5 CHAPTER 7801. BOIS D'ARC ISLAND LEVEE IMPROVEMENT

6 DISTRICT OF DALLAS AND KAUFMAN COUNTIES

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 7801.001. DEFINITIONS. In this chapter:

9 (1) "Board" means the board of directors of the  
10 district.

11 (2) "Director" means a member of the board.

12 (3) "District" means the Bois d'Arc Island Levee  
13 Improvement District of Dallas and Kaufman Counties. (Acts 70th  
14 Leg., R.S., Ch. 827, Sec. 2; Acts 72nd Leg., R.S., Ch. 357, Sec. 1.)

15 Sec. 7801.002. APPLICABILITY OF OTHER LAW. Except as  
16 otherwise provided by this chapter, Chapter 57, Water Code, applies  
17 to the district. (Acts 72nd Leg., R.S., Ch. 357, Sec. 5(a) (part).)

18 [Sections 7801.003-7801.050 reserved for expansion]

19 SUBCHAPTER B. BOARD OF DIRECTORS AND OFFICERS

20 Sec. 7801.051. BOARD. (a) The district is governed by a  
21 board of five elected directors.

22 (b) A person must indicate on the application for a place on  
23 the ballot the precinct that the person wants to represent.

24 (c) An election shall be held on the first Saturday in May of  
25 each even-numbered year to elect the appropriate number of  
26 directors. Except as provided by Subsection (d), directors serve  
27 four-year terms.

(d) The board shall revise each precinct after each federal decennial census to reflect population changes. At the first election after the precincts are revised, a new director shall be elected from each precinct. The directors shall draw lots to determine which two directors serve two-year terms and which three directors serve four-year terms. (Acts 72nd Leg., R.S., Ch. 357, Secs. 2(a) (part), (c), (d); 7(a), (c).)

Sec. 7801.052. TREASURER. (a) The board may provide for the appointment of a treasurer for the district.

(b) In addition to the powers and duties provided by other law, the treasurer has the powers and duties of the county treasurer under Chapter 57, Water Code. (Acts 72nd Leg., R.S., Ch. 357, Sec. 3.)

[Sections 7801.053-7801.100 reserved for expansion]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 7801.101. POWERS AND DUTIES OF BOARD. The board has the powers and duties delegated to the commissioners court and county judge under Chapter 57, Water Code. (Acts 72nd Leg., R.S., Ch. 357, Sec. 5(a) (part).)

Sec. 7801.102. IMPOSITION OF TAXES. (a) The Tax Code governs the imposition of district taxes.

(b) The board may provide for the appointment of a tax assessor-collector or may contract for the imposition of taxes with Dallas County or Kaufman County or with another person as provided by the Tax Code. (Acts 70th Leg., R.S., Ch. 827, Sec. 5 (part); Acts 72nd Leg., R.S., Ch. 357, Sec. 4.)

Sec. 7801.103. ESTABLISHING MINIMUM BENEFIT

1 BASIS. (a) If the district levies taxes on the benefit basis, the  
2 board may establish a minimum benefit that will accrue to each piece  
3 of taxable property in the district.

4 (b) The board shall serve as the commissioners of  
5 appraisement. (Acts 70th Leg., R.S., Ch. 827, Sec. 5 (part).)

6 Sec. 7801.104. EXCLUSION OF LAND FROM DISTRICT. If the  
7 district does not have outstanding bonds payable in whole or in part  
8 from taxes, the board may exclude land from the district as provided  
9 by Subchapter J, Chapter 49, Water Code. (Acts 70th Leg., R.S., Ch.  
10 827, Sec. 3.)

11 Sec. 7801.105. CONVEYANCE OF DISTRICT FACILITIES IN AN  
12 EXCLUDED AREA. (a) If the district has facilities located in an  
13 area that is excluded from the district, the board may convey those  
14 facilities to another governmental entity that agrees to assume the  
15 responsibility for flood protection for the excluded area.

16 (b) A conveyance under this section may:

17 (1) be on the terms determined by the board; and

18 (2) include a right-of-way, easement, or fee title to  
19 land on which the facilities are located. (Acts 70th Leg., R.S.,  
20 Ch. 827, Sec. 4.)

21 [Chapters 7802-8100 reserved for expansion]

22 SUBTITLE F. MUNICIPAL UTILITY DISTRICTS

23 CHAPTER 8101. ATHENS MUNICIPAL WATER AUTHORITY

24 SUBCHAPTER A. GENERAL PROVISIONS

25 Sec. 8101.001. DEFINITIONS

26 Sec. 8101.002. NATURE OF AUTHORITY

27 Sec. 8101.003. FINDING OF BENEFIT AND PUBLIC PURPOSE

1 Sec. 8101.004. LIBERAL CONSTRUCTION OF CHAPTER

2 [Sections 8101.005-8101.050 reserved for expansion]

3 SUBCHAPTER B. DISTRICT TERRITORY AND ANNEXATIONS

4 TO DISTRICT TERRITORY

5 Sec. 8101.051. BOUNDARIES

6 Sec. 8101.052. ANNEXATIONS OF TERRITORY

7 Sec. 8101.053. LIMITATION ON ASSUMPTION OF TAX

8 OBLIGATIONS

9 [Sections 8101.054-8101.100 reserved for expansion]

10 SUBCHAPTER C. BOARD OF DIRECTORS

11 Sec. 8101.101. GENERAL POWERS

12 Sec. 8101.102. ELIGIBILITY TO SERVE

13 Sec. 8101.103. DIRECTORS ELECTION

14 Sec. 8101.104. BALLOT PROCEDURE FOR CANDIDATES

15 Sec. 8101.105. APPOINTMENT OF SECRETARY AND TREASURER

16 Sec. 8101.106. VOTE BY BOARD PRESIDENT

17 Sec. 8101.107. DIRECTOR'S AND TREASURER'S BOND

18 Sec. 8101.108. COMPENSATION

19 [Sections 8101.109-8101.150 reserved for expansion]

20 SUBCHAPTER D. POWERS AND DUTIES

21 Sec. 8101.151. POWERS AND DUTIES

22 Sec. 8101.152. WATER SUPPLY AND DISTRIBUTION

23 Sec. 8101.153. WASTE SERVICES

24 Sec. 8101.154. EMINENT DOMAIN

25 Sec. 8101.155. COST OF RELOCATING PROPERTY

26 Sec. 8101.156. CONSTRUCTION OR PURCHASE CONTRACTS

27 Sec. 8101.157. CONTRACTS WITH MUNICIPALITIES AND OTHERS

[Sections 8101.158-8101.200 reserved for expansion]

SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

Sec. 8101.201. TAX METHOD

Sec. 8101.202. TAX ASSESSOR AND COLLECTOR

Sec. 8101.203. DEPOSITORY

[Sections 8101.204-8101.250 reserved for expansion]

SUBCHAPTER F. BONDS

Sec. 8101.251. AUTHORITY TO ISSUE BONDS

Sec. 8101.252. REFUNDING BONDS

Sec. 8101.253. FORM OF BONDS

Sec. 8101.254. MATURITY

Sec. 8101.255. TRUST INDENTURE

Sec. 8101.256. ELECTION FOR BONDS PAYABLE FROM AD VALOREM

TAXES

Sec. 8101.257. BOND SECURITY; REVENUE; TAXES;

ADDITIONAL BONDS

Sec. 8101.258. ADDITIONAL SECURITY

Sec. 8101.259. CHARGES FOR AUTHORITY SERVICES

Sec. 8101.260. USE OF BOND PROCEEDS

Sec. 8101.261. APPOINTMENT OF RECEIVER

Sec. 8101.262. BONDS SECURED BY CONTRACT PROCEEDS;

APPROVAL

Sec. 8101.263. BONDS EXEMPT FROM TAXATION

Sec. 8101.264. PROPERTY EXEMPT FROM TAXATION AND

ASSESSMENT

CHAPTER 8101. ATHENS MUNICIPAL WATER AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

1           Sec. 8101.001. DEFINITIONS. In this chapter:

2                   (1) "Authority" means the Athens Municipal Water  
3 Authority.

4                   (2) "Board" means the authority's board of directors.  
5 (V.A.C.S. Art. 8280-196, Sec. 1 (part); New.)

6           Sec. 8101.002. NATURE OF AUTHORITY. The authority is a  
7 conservation and reclamation district in Henderson County.  
8 (V.A.C.S. Art. 8280-196, Secs. 1 (part), 2(a) (part).)

9           Sec. 8101.003. FINDING OF BENEFIT AND PUBLIC  
10 PURPOSE. (a) The legislature finds that:

11                   (1) all of the lands and other property included in the  
12 boundaries of the authority will benefit from the improvements and  
13 facilities to be constructed, acquired, or otherwise provided under  
14 this chapter; and

15                   (2) the authority is created to serve a public use and  
16 benefit.

17           (b) The authority is created under and is essential to  
18 accomplish the purposes of Section 59, Article XVI, Texas  
19 Constitution.

20           (c) The accomplishment of the purposes stated in this  
21 chapter are for the benefit of the people of this state and for the  
22 improvement of their properties and industries. The authority in  
23 carrying out the purposes of this chapter will be performing an  
24 essential public function under the constitution of this state.  
25 (V.A.C.S. Art. 8280-196, Secs. 1 (part), 2(a) (part), 12 (part), 14  
26 (part).)

27           Sec. 8101.004. LIBERAL CONSTRUCTION OF CHAPTER. This

chapter shall be liberally construed to effect its purposes.  
(V.A.C.S. Art. 8280-196, Sec. 12 (part).)

[Sections 8101.005-8101.050 reserved for expansion]

SUBCHAPTER B. DISTRICT TERRITORY AND ANNEXATIONS

TO DISTRICT TERRITORY

Sec. 8101.051. BOUNDARIES. (a) The authority is in Henderson County and, unless modified as provided by Section 8101.052 or by Subchapter J, Chapter 49, Water Code, the boundaries of the authority are coextensive with the corporate limits of the city of Athens, Henderson County, Texas, as those corporate limits existed on May 2, 1957.

(b) Territory annexed by the City of Athens after May 2, 1957, does not become a part of the authority solely because of its annexation to the city.

(c) A defect or irregularity in the boundaries of the city of Athens as they existed on May 2, 1957, or in a proceeding related to the territory of or an annexation by the city before that date does not affect the validity of the authority or any of its rights, powers, privileges, or functions. (V.A.C.S. Art. 8280-196, Sec. 2(a) (part).)

Sec. 8101.052. ANNEXATIONS OF TERRITORY. (a) The board, as provided by this section, may annex territory the City of Athens annexes after May 2, 1957. The authority may not annex territory under this section if bonds supported by ad valorem taxes previously voted on remain unissued and unsold.

(b) The board by order may set a date for a hearing on the annexation and hold the hearing on that date.



(c) Notice of the hearing must:

(1) be posted in three public places in the territory proposed to be annexed at least 15 days before the date set for the hearing; and

(2) contain a statement of the nature and purpose of the hearing and the date, time, and place of the hearing.

(d) A person whose land is included in or would be affected by the annexation may:

(1) appear at the hearing to contest the annexation; and

(2) offer testimony to show that the annexation would or would not benefit land proposed to be annexed.

(e) The board shall enter a resolution ordering the annexation and designating the territory if the board finds as a result of the hearing that the proposed annexation is feasible and practicable and would benefit the land proposed to be annexed. The board may designate the territory by reference to the city's annexation ordinance or in another manner.

(f) The board shall refuse the proposed annexation if the board finds as a result of the hearing that the annexation does not satisfy the requirements of Subsection (e). (V.A.C.S. Art. 8280-196, Secs. 2(b), (c) (part).)

Sec. 8101.053. LIMITATION ON ASSUMPTION OF TAX OBLIGATIONS. (a) The authority may not impose on territory the authority annexes under Section 8101.052 a tax obligation the authority incurred before annexation unless:

(1) the owners of the land annexed provide written

1 consent for the assumption of that tax obligation; or

2 (2) at an election held for that purpose in the  
3 territory, a majority of the voters of the territory approve the  
4 assumption of that tax obligation.

5 (b) The notice provisions of Section 49.106, Water Code,  
6 apply to an election held under this section.

7 (c) The election notice must be published in a newspaper  
8 published in the city of Athens. If a newspaper is not published in  
9 the city of Athens, it is sufficient to post notices at three public  
10 places in that city at least 28 days before the date of the  
11 election. (V.A.C.S. Art. 8280-196, Sec. 2(c) (part).)

12 [Sections 8101.054-8101.100 reserved for expansion]

13 SUBCHAPTER C. BOARD OF DIRECTORS

14 Sec. 8101.101. GENERAL POWERS. The board consists of five  
15 directors. (V.A.C.S. Art. 8280-196, Sec. 3(a) (part).)

16 Sec. 8101.102. ELIGIBILITY TO SERVE. (a) A director must  
17 reside in and own taxable property in the authority.

18 (b) A person may not serve as a director if the person is:

19 (1) a member of a governing body of a municipality; or

20 (2) an employee of a municipality. (V.A.C.S.  
21 Art. 8280-196, Sec. 3(a) (part).)

22 Sec. 8101.103. DIRECTORS ELECTION. (a) The board shall  
23 issue an order for each directors election stating the time, place,  
24 and purpose of the election.

25 (b) Notice of a directors election shall be published in a  
26 newspaper of general circulation in the authority's territory one  
27 time at least 30 days before the date of the election.

1 (c) The appropriate number of candidates who receive the  
2 highest number of votes shall be declared elected. (V.A.C.S.  
3 Art. 8280-196, Sec. 3(c) (part).)

4 Sec. 8101.104. BALLOT PROCEDURE FOR CANDIDATES. (a) A  
5 person who wants to have the person's name printed on the ballot as  
6 a candidate for director must submit a petition to the board  
7 secretary requesting that action.

8 (b) The petition must be:

9 (1) signed by at least 50 qualified voters; and

10 (2) presented to the secretary not later than the 21st  
11 day before the date of the election. (V.A.C.S. Art. 8280-196, Sec.  
12 3(d).)

13 Sec. 8101.105. APPOINTMENT OF SECRETARY AND TREASURER. The  
14 board shall appoint a secretary and a treasurer. The board may  
15 combine those offices. The secretary or treasurer is not required  
16 to be a director. (V.A.C.S. Art. 8280-196, Sec. 3(g) (part).)

17 Sec. 8101.106. VOTE BY BOARD PRESIDENT. The president has  
18 the same right to vote as any other director. (V.A.C.S.  
19 Art. 8280-196, Sec. 3(g) (part).)

20 Sec. 8101.107. DIRECTOR'S AND TREASURER'S BOND. (a) A  
21 director shall give bond in the amount of \$5,000 for the faithful  
22 performance of the director's duties.

23 (b) The treasurer shall give bond in an amount required by  
24 the board, conditioned on the treasurer's faithfully accounting for  
25 all money that comes into the treasurer's custody. (V.A.C.S.  
26 Art. 8280-196, Secs. 3(a) (part), (g) (part).)

27 Sec. 8101.108. COMPENSATION. Unless the board by

1 resolution increases the fee to an amount authorized by Section  
2 49.060, Water Code, each director shall receive a fee not to exceed  
3 \$10 for attending each board meeting and a fee not to exceed \$10 for  
4 each day devoted to authority business. (V.A.C.S. Art. 8280-196,  
5 Sec. 3(f) (part).)

6 [Sections 8101.109-8101.150 reserved for expansion]

7 SUBCHAPTER D. POWERS AND DUTIES

8 Sec. 8101.151. POWERS AND DUTIES. The authority has:

9 (1) all the powers of a governmental agency; and  
10 (2) the rights, powers, privileges, and functions  
11 that:

12 (A) may be contemplated and implied by Section  
13 59, Article XVI, Texas Constitution; or

14 (B) are conferred by the general laws of the  
15 state relating to water control and improvement districts,  
16 including Chapters 49 and 51, Water Code, unless those rights,  
17 powers, privileges, or functions conflict with this chapter.  
18 (V.A.C.S. Art. 8280-196, Secs. 1 (part), 13 (part).)

19 Sec. 8101.152. WATER SUPPLY AND DISTRIBUTION. (a) The  
20 authority may develop, construct, or purchase dams, reservoirs, and  
21 underground or other sources of water.

22 (b) The authority may construct or purchase all works,  
23 plants, and other facilities necessary or useful to:

24 (1) provide a source of water supply;  
25 (2) store and process the water; and  
26 (3) transport and distribute the water for municipal,  
27 domestic, and industrial purposes. (V.A.C.S. Art. 8280-196, Sec. 4

1 (part).)

2           Sec. 8101.153. WASTE SERVICES. To preserve and protect the  
3 purity of the waters of the authority and this state and to conserve  
4 and reclaim those waters for beneficial use by the inhabitants of  
5 the authority, the authority may provide all plants, works,  
6 facilities, and appliances incident to, helpful to, or necessary to  
7 collect, transport, process, dispose of, and control all domestic,  
8 industrial, or communal wastes, whether fluid, solid, or composite.  
9 (V.A.C.S. Art. 8280-196, Sec. 4 (part).)

10           Sec. 8101.154. EMINENT DOMAIN. (a) The authority may  
11 exercise the power of eminent domain to acquire land and easements  
12 to carry out any power conferred by this chapter.

13           (b) The authority must exercise the power of eminent domain  
14 in the manner provided by Chapter 21, Property Code.

15           (c) The board shall determine the amount of and character of  
16 interest in land and easements to be acquired. (V.A.C.S.  
17 Art. 8280-196, Sec. 5 (part).)

18           Sec. 8101.155. COST OF RELOCATING PROPERTY. If the  
19 authority, in the exercise of the power of eminent domain, the power  
20 of relocation, or any other power granted under this chapter, makes  
21 necessary relocating, raising, rerouting, changing the grade of, or  
22 altering the construction of any highway, railroad, electric  
23 transmission line, or pipeline or telephone or telegraph property  
24 or facility, the authority is solely responsible for the expense of  
25 that necessary action. (V.A.C.S. Art. 8280-196, Sec. 5 (part).)

26           Sec. 8101.156. CONSTRUCTION OR PURCHASE  
27 CONTRACTS. (a) Except as provided by Subsection (e), the

1 authority shall award a construction contract or contract for the  
2 purchase of materials, equipment, or supplies requiring an  
3 expenditure of more than \$2,000 to the lowest and best bidder.

4 (b) Notice to bidders must be published once each week for  
5 two weeks before the contract is awarded.

6 (c) The notice is sufficient if it states:

7 (1) the time and place for opening the bids;

8 (2) the general nature of the work to be done or the  
9 material, equipment, or supplies to be purchased; and

10 (3) where and how copies of the plans and  
11 specifications may be obtained.

12 (d) The notice must be printed in a newspaper that is  
13 designated by the board and that is published in Henderson County.

14 (e) This section does not apply to the purchase of a system  
15 or part of a system in existence at the time of the purchase.  
16 (V.A.C.S. Art. 8280-196, Sec. 6.)

17 Sec. 8101.157. CONTRACTS WITH MUNICIPALITIES AND  
18 OTHERS. (a) The authority may contract with municipalities and  
19 others for supplying services to them.

20 (b) The authority may contract with any municipality for the  
21 rental, lease, or operation of the water production, water supply,  
22 and water supply facilities of the authority for the consideration  
23 agreed to by the authority and the municipality.

24 (c) The authority may contract with any municipality for the  
25 rental, lease, or operation of the water production, water supply,  
26 and water supply facilities or sanitary sewer system of the  
27 municipality for the consideration agreed to by the authority and

1 the municipality.

2 (d) A contract under this section:

3 (1) may be on the terms and for the period to which the  
4 parties agree; and

5 (2) may provide that the contract continues in effect  
6 until the bonds specified by the contract and refunding bonds  
7 issued in place of those bonds are paid. (V.A.C.S. Art. 8280-196,  
8 Sec. 9.)

9 [Sections 8101.158-8101.200 reserved for expansion]

10 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

11 Sec. 8101.201. TAX METHOD. The authority shall use the ad  
12 valorem plan of taxation. (V.A.C.S. Art. 8280-196, Sec. 13  
13 (part).)

14 Sec. 8101.202. TAX ASSESSOR AND COLLECTOR. Before issuing  
15 bonds payable wholly or partly from ad valorem taxes or imposing ad  
16 valorem taxes for any other purpose, the board shall:

17 (1) appoint a tax assessor and collector;

18 (2) provide for taxes to be assessed; and

19 (3) provide for the preparation of tax rolls.  
20 (V.A.C.S. Art. 8280-196, Sec. 8 (part).)

21 Sec. 8101.203. DEPOSITORY. (a) The board shall designate  
22 one or more banks to serve as depository for the authority's money.

23 (b) All of the authority's money shall be deposited in the  
24 depository bank or banks, except that:

25 (1) money pledged to pay bonds may be deposited with  
26 the trustee bank or banks named in the trust indenture; and

27 (2) money for payment of the principal of and interest

1 on bonds shall be remitted to the bank of payment.

2 (c) To the extent that money in the depository banks and the  
3 trustee bank are not insured by the Federal Deposit Insurance  
4 Corporation, they must be secured in the manner provided by law for  
5 the security of county funds.

6 (d) Before designating a depository bank or banks, the board  
7 shall issue a notice that:

8 (1) states the time and place of the board's meeting  
9 for that purpose; and

10 (2) invites the banks to submit applications to be  
11 designated depositories.

12 (e) The notice must be published one time in a newspaper  
13 published in the city of Athens at least 10 days before the date set  
14 for receiving applications.

15 (f) The board shall prescribe the terms of service for  
16 depositories.

17 (g) At the time mentioned in the notice, the board shall:

18 (1) consider the applications and the management and  
19 condition of the banks filing applications; and

20 (2) designate as depository the bank or banks that:

21 (A) offer the most favorable terms for handling  
22 the authority's money; and

23 (B) the board finds have proper management and  
24 are in condition to handle the authority's money.

25 (h) If the board does not receive any applications by the  
26 time stated in the notice, or if the board rejects all applications,  
27 the board shall designate a bank or banks on terms it finds



1 advantageous to the authority. (V.A.C.S. Art. 8280-196, Sec. 10.)

2 [Sections 8101.204-8101.250 reserved for expansion]

3 SUBCHAPTER F. BONDS

4 Sec. 8101.251. AUTHORITY TO ISSUE BONDS. (a) The  
5 authority may issue bonds to:

6 (1) purchase or otherwise provide works, plants,  
7 facilities, or appliances necessary to accomplish the purposes  
8 authorized by this chapter; or

9 (2) exercise any other power conferred by this  
10 chapter.

11 (b) Bonds issued by the authority must be payable from  
12 revenue or ad valorem taxes. If bonds are payable wholly from  
13 revenue, the revenue may be pledged by board resolution without an  
14 election. (V.A.C.S. Art. 8280-196, Sec. 7(a) (part).)

15 Sec. 8101.252. REFUNDING BONDS. (a) The authority may  
16 issue refunding bonds to refund outstanding bonds issued under this  
17 subchapter and interest on those bonds.

18 (b) Refunding bonds may:

19 (1) be issued to refund bonds of more than series;

20 (2) combine the pledges for the outstanding bonds for  
21 the security of the refunding bonds; or

22 (3) be secured by a pledge of other or additional  
23 revenue or mortgage liens.

24 (c) The provisions of this subchapter regarding the  
25 issuance of other bonds, their security, and the remedies of the  
26 holders apply to refunding bonds, except that an election is not  
27 required for refunding bonds.

1 (d) The comptroller shall register the refunding bonds on  
2 surrender and cancellation of the bonds to be refunded.

3 (e) Instead of issuing bonds to be registered on the  
4 surrender and cancellation of the bonds to be refunded, the  
5 authority, in the resolution authorizing the issuance of the  
6 refunding bonds, may provide for the sale of the refunding bonds and  
7 the deposit of the proceeds in a bank at which the bonds to be  
8 refunded are payable. In that case, the refunding bonds may be  
9 issued in an amount sufficient to pay the principal of and interest  
10 on the bonds to be refunded to their option date or maturity date,  
11 and the comptroller shall register the refunding bonds without the  
12 surrender and cancellation of the bonds to be refunded. (V.A.C.S.  
13 Art. 8280-196, Sec. 7(g).)

14 Sec. 8101.253. FORM OF BONDS. (a) An authority bond must:

- 15 (1) be issued in the name of the authority;  
16 (2) be signed by the president;  
17 (3) be attested to by the secretary; and  
18 (4) have the authority seal impressed on it or a  
19 facsimile seal printed on it.

20 (b) At the option of the board, a bond may be signed in  
21 accordance with Chapter 618, Government Code. (V.A.C.S.  
22 Art. 8280-196, Sec. 7(a) (part).)

23 Sec. 8101.254. MATURITY. Bonds issued under this  
24 subchapter must mature within 40 years. (V.A.C.S. Art. 8280-196,  
25 Sec. 7(a) (part).)

26 Sec. 8101.255. TRUST INDENTURE. The trust indenture may  
27 contain provisions prescribed by the board that:

1           (1) provide for the security of the bonds and the  
2 operation and preservation of the trust estate;

3           (2) provide for amendment or modification of the trust  
4 indenture;

5           (3) provide for the issuance of bonds to replace lost  
6 or mutilated bonds; and

7           (4) condition the right to spend authority money or  
8 sell authority property on the approval of a licensed engineer  
9 selected as provided by the trust indenture. (V.A.C.S.  
10 Art. 8280-196, Sec. 7(i).)

11       Sec. 8101.256. ELECTION FOR BONDS PAYABLE FROM AD VALOREM  
12 TAXES. The authority may not issue bonds payable wholly or partly  
13 from ad valorem taxes unless the voters of the authority authorize  
14 that issuance at an election held for that purpose in the manner  
15 prescribed by Section 49.106, Water Code. (V.A.C.S. Art. 8280-196,  
16 Sec. 7(a) (part).)

17       Sec. 8101.257. BOND SECURITY; REVENUE; TAXES; ADDITIONAL  
18 BONDS. (a) In this section, "net revenue" means the gross revenue  
19 of the authority after deducting the amount necessary to pay the  
20 cost of maintaining and operating the authority, including its  
21 properties.

22       (b) Bonds issued under this subchapter may be secured by:

23           (1) a pledge of all or part of the net revenue of the  
24 authority, including the net revenue of a past or future contract;  
25 or

26           (2) other revenue and income specified by resolution  
27 of the board or the trust indenture.

1           (c) If bonds are issued payable wholly or partly from taxes,  
2 the board shall impose taxes on all taxable property in the  
3 authority without limit as to rate or amount while those bonds are  
4 outstanding. The board shall impose the taxes in amounts:

5               (1) sufficient to pay the principal of and interest on  
6 the bonds annually as they mature; or

7               (2) required to supplement the net revenue pledged to  
8 the bonds' payment so that the principal of and interest on the  
9 bonds are paid when due.

10           (d) A bond security pledge under this section may reserve to  
11 the authority the right, under conditions specified by the pledge,  
12 to issue additional bonds that will be on a parity with or  
13 subordinate to the bonds then being issued. (V.A.C.S.  
14 Art. 8280-196, Sec. 7(c).)

15           Sec. 8101.258. ADDITIONAL SECURITY. (a) Bonds, including  
16 refunding bonds, payable partly or wholly from a pledge of revenue  
17 authorized by this subchapter may be additionally secured by a  
18 mortgage lien on physical properties of the authority and all  
19 franchises, easements, water rights and appropriation permits,  
20 leases, contracts, and all rights appurtenant to those properties,  
21 vesting in the trustee under the trust indenture the power to:

22               (1) sell the properties for payment of the debt;

23               (2) operate the properties; and

24               (3) take any other action to secure the bonds.

25           (b) A purchaser under a sale under the deed of trust:

26               (1) is the absolute owner of the properties and  
27 facilities purchased; and

1           (2) is entitled to maintain and operate those  
2 properties and facilities. (V.A.C.S. Art. 8280-196, Sec. 7(h).)

3           Sec. 8101.259. CHARGES FOR AUTHORITY SERVICES. The board  
4 shall set the rates of compensation for services rendered by the  
5 authority so that the authority has enough money to pay the expenses  
6 of operating and maintaining the facilities of the authority, to  
7 pay bonds as they mature and the interest as it accrues, and to  
8 maintain the reserve and other funds as provided in the resolution  
9 authorizing the bonds or in the trust indenture. (V.A.C.S.  
10 Art. 8280-196, Sec. 7(d).)

11          Sec. 8101.260. USE OF BOND PROCEEDS. (a) The authority  
12 may set aside and use proceeds from bond sales for:

13           (1) the payment of interest expected to accrue during  
14 construction and the first year after construction; and

15           (2) a reserve interest and sinking fund.

16          (b) The authority may provide in the resolution authorizing  
17 the bonds or in the trust indenture for setting aside and using the  
18 proceeds as described by Subsection (a).

19          (c) The authority may use proceeds from the sale of bonds to  
20 pay an expense incurred in accomplishing the purposes of the  
21 authority. (V.A.C.S. Art. 8280-196, Sec. 7(e).)

22          Sec. 8101.261. APPOINTMENT OF RECEIVER. (a) On default  
23 or threatened default in the payment of the principal of or interest  
24 on bonds issued under this subchapter that are payable wholly or  
25 partly from revenue, a court may, on petition of the holders of  
26 outstanding bonds, appoint a receiver for the authority.

27          (b) The receiver, without consent of or hindrance by the

1 board, may:

2 (1) collect and receive all authority income;

3 (2) employ and discharge authority agents and  
4 employees;

5 (3) take charge of money on hand; and

6 (4) manage the affairs of the authority.

7 (c) The receiver may be authorized to sell or contract for  
8 the sale of services of the authority's facilities or to renew those  
9 contracts with the approval of the appointing court.

10 (d) The court may vest the receiver with any other power or  
11 duty the court finds necessary to protect the bondholders.

12 (e) The resolution that authorizes the issuance of the bonds  
13 or the trust indenture securing their payment may:

14 (1) specify the minimum percentage of outstanding  
15 bonds that must be held by the bondholders seeking the appointment  
16 of a receiver; or

17 (2) otherwise qualify the right of bondholders to  
18 institute litigation that might affect the authority's property,  
19 including money. (V.A.C.S. Art. 8280-196, Sec. 7(f).)

20 Sec. 8101.262. BONDS SECURED BY CONTRACT PROCEEDS;  
21 APPROVAL. (a) If bonds issued under this subchapter state that  
22 they are secured by a pledge of the proceeds of a contract  
23 previously made between the authority and a municipality or other  
24 governmental agency, including a district, a copy of that contract  
25 and the proceedings of the entity authorizing the contract must be  
26 submitted to the attorney general along with the bonds.

27 (b) If the attorney general finds that the bonds have been

1 authorized and the contract has been made in accordance with law,  
2 the attorney general shall approve the bonds and contract.  
3 (V.A.C.S. Art. 8280-196, Sec. 7(j) (part).)

4 Sec. 8101.263. BONDS EXEMPT FROM TAXATION. A bond issued  
5 under this subchapter, the transfer of the bond, and income from the  
6 bond, including profits made on the sale of the bond, are exempt  
7 from taxation in this state. (V.A.C.S. Art. 8280-196, Sec. 14  
8 (part).)

9 Sec. 8101.264. PROPERTY EXEMPT FROM TAXATION AND  
10 ASSESSMENT. Property of the authority is exempt from taxation and  
11 assessment. (V.A.C.S. Art. 8280-196, Sec. 14 (part).)

12 CHAPTER 8102. ADDICKS UTILITY DISTRICT

13 SUBCHAPTER A. GENERAL PROVISIONS

14 Sec. 8102.001. DEFINITION

15 Sec. 8102.002. CREATION; NATURE OF DISTRICT

16 Sec. 8102.003. LEGISLATIVE FINDINGS

17 Sec. 8102.004. DISTRICT TERRITORY

18 [Sections 8102.005-8102.050 reserved for expansion]

19 SUBCHAPTER B. BOARD OF DIRECTORS

20 Sec. 8102.051. DIRECTORS

21 [Sections 8102.052-8102.100 reserved for expansion]

22 SUBCHAPTER C. DISTRICT RIGHTS, POWERS, AND FUNCTIONS

23 Sec. 8102.101. GENERAL RIGHTS, POWERS, PRIVILEGES, AND

24 FUNCTIONS

25 CHAPTER 8102. ADDICKS UTILITY DISTRICT

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 8102.001. DEFINITION. In this chapter, "district"

1 means "Addicks Utility District." (V.A.C.S. Art. 8280-548, Sec. 1  
2 (part).)

3 Sec. 8102.002. CREATION; NATURE OF DISTRICT. The district  
4 is a conservation and reclamation district in Harris County, Texas,  
5 created under Section 59, Article XVI, Texas Constitution.  
6 (V.A.C.S. Art. 8280-548, Sec. 1 (part).)

7 Sec. 8102.003. LEGISLATIVE FINDINGS. The legislature finds  
8 that:

9 (1) the creation and establishment of the district is  
10 essential to accomplish the purposes of Section 59, Article XVI,  
11 Texas Constitution;

12 (2) all land and other property included in the  
13 boundaries of the district will be benefited by the works and  
14 projects accomplished by the district under the powers conferred by  
15 Section 59, Article XVI, Texas Constitution; and

16 (3) the district is created to serve a public use and  
17 benefit. (V.A.C.S. Art. 8280-548, Secs. 1 (part), 3.)

18 Sec. 8102.004. DISTRICT TERRITORY. (a) The district is  
19 composed of the territory described by Section 4, Chapter 661, Acts  
20 of the 62nd Legislature, Regular Session, 1971 (V.A.C.S. Article  
21 8280-548), as that territory may have been modified under:

22 (1) Subchapter J, Chapter 49, Water Code; or

23 (2) other law.

24 (b) The legislature finds that the boundaries and field  
25 notes of the district contained in Section 4, Chapter 661, Acts of  
26 the 62nd Legislature, Regular Session, 1971 (V.A.C.S. Article  
27 8280-548), form a closure. A mistake in the field notes or in



1 copying the field notes in the legislative process does not affect:

2 (1) the organization, existence, or validity of the  
3 district;

4 (2) the right of the district to issue any type of  
5 bonds for the purposes for which the district is created or to pay  
6 the principal and interest on the bonds;

7 (3) the right of the district to impose taxes; or

8 (4) the legality or operation of the district or its  
9 governing body. (V.A.C.S. Art. 8280-548, Sec. 2; New.)

10 [Sections 8102.005-8102.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 8102.051. DIRECTORS. Directors are elected or  
13 appointed and serve for the terms and in the manner provided by  
14 Chapter 49, Water Code. (V.A.C.S. Art. 8280-548, Sec. 6 (part).)

15 [Sections 8102.052-8102.100 reserved for expansion]

16 SUBCHAPTER C. DISTRICT RIGHTS, POWERS, AND FUNCTIONS

17 Sec. 8102.101. GENERAL RIGHTS, POWERS, PRIVILEGES, AND  
18 FUNCTIONS. (a) The district has all of the rights, powers,  
19 privileges, and functions provided by the general laws of this  
20 state applicable to municipal utility districts, including  
21 Chapters 49 and 54, Water Code.

22 (b) If a provision of a general law that applies to  
23 municipal utility districts is in conflict or inconsistent with  
24 this chapter, this chapter prevails. (V.A.C.S. Art. 8280-548, Sec.  
25 5 (part).)

26 [Chapters 8103-8500 reserved for expansion]

27 SUBTITLE G. RIVER AUTHORITIES

CHAPTER 8501. ANGELINA AND NECHES RIVER AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8501.001. DEFINITIONS

Sec. 8501.002. WATER RIGHTS NOT AFFECTED

Sec. 8501.003. REGULAR OFFICE OF AUTHORITY

Sec. 8501.004. RECORDS

Sec. 8501.005. LIBERAL CONSTRUCTION

[Sections 8501.006-8501.050 reserved for expansion]

SUBCHAPTER B. NATURE AND TERRITORY

Sec. 8501.051. CREATION AND NATURE OF AUTHORITY

Sec. 8501.052. TERRITORY

[Sections 8501.053-8501.100 reserved for expansion]

SUBCHAPTER C. BOARD OF DIRECTORS AND EMPLOYEES

Sec. 8501.101. MEMBERSHIP OF BOARD

Sec. 8501.102. TERMS

Sec. 8501.103. VACANCY

Sec. 8501.104. OATH AND BOND REQUIREMENT FOR DIRECTOR

Sec. 8501.105. COMPENSATION OF DIRECTORS

Sec. 8501.106. QUORUM RELATING TO CONSTRUCTION MATTERS

Sec. 8501.107. OFFICERS

Sec. 8501.108. MEETINGS

Sec. 8501.109. EMPLOYMENT PREFERENCE

Sec. 8501.110. REMOVAL OF EMPLOYEE

Sec. 8501.111. COMPENSATION OF EMPLOYEES

Sec. 8501.112. DIRECTOR'S, OFFICER'S, OR EMPLOYEE'S SURETY

BOND

Sec. 8501.113. CONFLICT OF INTEREST; CRIMINAL PENALTY

[Sections 8501.114-8501.150 reserved for expansion]

SUBCHAPTER D. POWERS AND DUTIES

Sec. 8501.151. POWERS UNDER CONSTITUTION AND OTHER LAW

Sec. 8501.152. APPLICABILITY OF WATER CODE

Sec. 8501.153. STATE SUPERVISION AND APPROVAL

Sec. 8501.154. GENERAL POWERS RELATING TO WATER

Sec. 8501.155. POWERS RELATING TO PARTICULAR PURPOSES

Sec. 8501.156. POWERS RELATING TO FLOODING

Sec. 8501.157. POWERS RELATING TO USE OF WATER IN GENERAL

Sec. 8501.158. POWERS RELATING TO DOMESTIC, COMMERCIAL, OR

INDUSTRIAL USE OF WATER

Sec. 8501.159. POWERS RELATING TO USE OF WATER FOR

IRRIGATION

Sec. 8501.160. POWERS RELATING TO DRAINAGE OF WATER

Sec. 8501.161. POWERS RELATING TO ACQUISITION OR OPERATION

OF WORKS, LAND, OR OTHER PROPERTY

Sec. 8501.162. ADDITIONAL POWERS RELATING TO ACQUISITION OR

OPERATION OF PROPERTY

Sec. 8501.163. POWERS RELATING TO CONTRACT, LEASE, AGREEMENT,

OR CONVEYANCE

Sec. 8501.164. RIGHT OF EMINENT DOMAIN

Sec. 8501.165. COORDINATION AND JOINT UNDERTAKINGS AMONG

DISTRICTS

Sec. 8501.166. NO AUTHORITY FOR TAX OR SPECIAL ASSESSMENT

[Sections 8501.167-8501.200 reserved for expansion]

SUBCHAPTER E. GENERAL FINANCIAL MATTERS

Sec. 8501.201. PROCEDURE FOR PAYMENT

- 1    Sec. 8501.202.    RECORDS RELATING TO MONEY
- 2    Sec. 8501.203.    FILING OF AUDIT
- 3    Sec. 8501.204.    FEES
- 4    Sec. 8501.205.    LIMITATION ON USE OF REVENUE
- 5                    [Sections 8501.206-8501.250 reserved for expansion]
- 6                    SUBCHAPTER F. OBLIGATIONS RELATING TO BORROWED MONEY
- 7    Sec. 8501.251.    POWER TO BORROW MONEY; EVIDENCE
- 8                    OF OBLIGATION
- 9    Sec. 8501.252.    OBLIGATION PAYABLE FROM REVENUE
- 10   Sec. 8501.253.    NO CREATION OF DEBT; NO PAYMENT
- 11                    FROM TAXES
- 12   Sec. 8501.254.    TIME OF SALE
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- 22   Sec. 8501.263.    ADDITIONAL SECURITY FOR OBLIGATION:
- 23                    MORTGAGE AND ENCUMBRANCE
- 24   Sec. 8501.264.    SALE UNDER MORTGAGE OR ENCUMBRANCE
- 25   Sec. 8501.265.    STATE FRANCHISE LAW NOT APPLICABLE
- 26   Sec. 8501.266.    DEPOSIT OF PROCEEDS
- 27   Sec. 8501.267.    USE OF UNSPENT PROCEEDS AFTER PROJECT

COMPLETION

Sec. 8501.268. INSURING IMPROVEMENTS AND FACILITIES

Sec. 8501.269. REFUNDING OBLIGATION

Sec. 8501.270. TAX EXEMPTION

[Sections 8501.271-8501.900 reserved for expansion]

SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

Sec. 8501.901. CHAPTER AS FULL AUTHORITY; OTHER STATUTES

NOT APPLICABLE

CHAPTER 8501. ANGELINA AND NECHES RIVER AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8501.001. DEFINITIONS. In this chapter:

(1) "Authority" means the Angelina and Neches River Authority.

(2) "Board" means the board of directors of the authority. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 1 (part); New.)

Sec. 8501.002. WATER RIGHTS NOT AFFECTED. This chapter does not affect any existing rights, or existing priorities in the rights, to water from the source of supply. The formation of the authority or a contract for the purchase of water with the authority is not an abandonment or waiver of those rights or priorities and is not an abandonment of the original point of diversion from the source of supply. All those rights existing at the time of the formation of the authority are preserved. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 31.)

Sec. 8501.003. REGULAR OFFICE OF AUTHORITY. A regular office shall be established and maintained for conducting authority

1 business within the authority's territory. (Acts 44th Leg., R.S.,  
2 G.L., Ch. 97, Sec. 9 (part).)

3 Sec. 8501.004. RECORDS. (a) The secretary-treasurer of  
4 the board shall keep a record of all proceedings and all orders of  
5 the board.

6 (b) The records of the authority are subject to public  
7 inspection. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs. 7 (part), 9  
8 (part).)

9 Sec. 8501.005. LIBERAL CONSTRUCTION. This chapter shall be  
10 liberally construed to effectuate its purposes. (Acts 44th Leg.,  
11 R.S., G.L., Ch. 97, Sec. 16 (part).)

12 [Sections 8501.006-8501.050 reserved for expansion]

13 SUBCHAPTER B. NATURE AND TERRITORY

14 Sec. 8501.051. CREATION AND NATURE OF AUTHORITY. The  
15 Angelina and Neches River Authority is created as a conservation  
16 and reclamation district. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec.  
17 1 (part).)

18 Sec. 8501.052. TERRITORY. (a) The authority is composed of  
19 the territory described by Section 3, Chapter 97, General Laws,  
20 Acts of the 44th Legislature, Regular Session, 1935, as amended by  
21 the relevant part of Section 1, Chapter 394, Acts of the 65th  
22 Legislature, Regular Session, 1977.

23 (b) The authority's territory also may have been modified  
24 under other law. (New.)

25 [Sections 8501.053-8501.100 reserved for expansion]

26 SUBCHAPTER C. BOARD OF DIRECTORS AND EMPLOYEES

27 Sec. 8501.101. MEMBERSHIP OF BOARD. (a) The board consists

1 of nine directors appointed by the governor with the advice and  
2 consent of the senate.

3 (b) Each director must be a freehold property taxpayer and a  
4 qualified voter of the state. (Acts 44th Leg., R.S., G.L., Ch. 97,  
5 Sec. 4 (part).)

6 Sec. 8501.102. TERMS. Directors are appointed for  
7 staggered terms of six years with one-third of the directors' terms  
8 expiring every two years. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec.  
9 4 (part).)

10 Sec. 8501.103. VACANCY. (a) A vacancy on the board shall  
11 be filled by appointment by the governor with the advice and consent  
12 of the senate.

13 (b) A person appointed to a vacant position serves for the  
14 unexpired part of the term. (Acts 44th Leg., R.S., G.L., Ch. 97,  
15 Sec. 4 (part).)

16 Sec. 8501.104. OATH AND BOND REQUIREMENT FOR  
17 DIRECTOR. (a) A director shall, within 15 days after the date of  
18 appointment, qualify by taking the constitutional oath of office  
19 and by filing a good and sufficient bond with the secretary of  
20 state.

21 (b) The bond is subject to approval by the secretary of  
22 state and must:

- 23 (1) be in the amount of \$1,000;  
24 (2) be payable to the authority; and  
25 (3) be conditioned on the faithful performance of the  
26 duties as a director. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 4  
27 (part).)

1           Sec. 8501.105. COMPENSATION OF DIRECTORS. Unless the board  
2 by resolution increases the fee of office to an amount authorized by  
3 Section 49.060, Water Code, a director shall receive as a fee of  
4 office an amount not to exceed \$10 for each day of service necessary  
5 to discharge the director's duties, if the board votes to authorize  
6 the service. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 8 (part).)

7           Sec. 8501.106. QUORUM RELATING TO CONSTRUCTION MATTERS.  
8 The concurrence of five directors is required for entering into a  
9 construction contract or for authorizing the issuance of a warrant  
10 to pay for a construction contract. (Acts 44th Leg., R.S., G.L.,  
11 Ch. 97, Sec. 5 (part).)

12           Sec. 8501.107. OFFICERS. (a) The board shall elect one of  
13 the directors as president of the board, one as vice president, and  
14 one as secretary-treasurer.

15           (b) The president is the chief executive officer of the  
16 authority.

17           (c) The vice president shall act as president if the  
18 president is absent or disabled.

19           (d) The secretary-treasurer shall act as a secretary of the  
20 board. The board shall select a secretary pro tem if the  
21 secretary-treasurer is absent or unable to act. (Acts 44th Leg.,  
22 R.S., G.L., Ch. 97, Secs. 5 (part), 7 (part).)

23           Sec. 8501.108. MEETINGS. (a) The president shall preside  
24 at all meetings of the board.

25           (b) The board shall set, by order entered in the minutes of  
26 its proceedings, a specified time for the regular meetings of the  
27 board. The board shall meet for a specific occasion if called by



1 order of the president, vice president, or a majority of the  
2 directors.

3 (c) The board shall hold its meetings at its office and  
4 principal place of business unless the board directs otherwise for  
5 a specific occasion. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 7  
6 (part).)

7 Sec. 8501.109. EMPLOYMENT PREFERENCE. (a) The authority  
8 and each contractor who employs labor for the construction of an  
9 improvement for the authority shall give a preference to the  
10 employment of:

11 (1) persons who are on relief rolls or otherwise  
12 unemployed and who are able to efficiently provide the proper  
13 service in the various classifications of labor under which they  
14 are to be employed; and

15 (2) if there are not sufficient persons who are  
16 qualified under Subdivision (1), qualified workers who reside in  
17 the locality where the improvement is to be constructed.

18 (b) The persons to whom the preference applies include  
19 persons required for office or clerical work but do not include the  
20 key workers of the authority or contractor.

21 (c) Each contract expressly entered into under this chapter  
22 by the authority with a contractor must expressly impose on the  
23 contractor the duty to give the preference provided by this  
24 section.

25 (d) To the extent this section conflicts with the  
26 requirements of a federal agency providing funds for the authority,  
27 the requirements of the federal agency control. (Acts 44th Leg.,

1 R.S., G.L., Ch. 97, Sec. 32.)

2 Sec. 8501.110. REMOVAL OF EMPLOYEE. An employee of the  
3 authority may be removed by the board. (Acts 44th Leg., R.S., G.L.,  
4 Ch. 97, Sec. 11 (part).)

5 Sec. 8501.111. COMPENSATION OF EMPLOYEES. The board shall  
6 set the reasonable compensation to be paid to the general manager  
7 and other employees of the authority. (Acts 44th Leg., R.S., G.L.,  
8 Ch. 97, Secs. 11 (part), 14(n) (part).)

9 Sec. 8501.112. DIRECTOR'S, OFFICER'S, OR EMPLOYEE'S SURETY  
10 BOND. A bond required to be given by a director, officer, or  
11 employee of the authority must be executed by a surety company  
12 authorized to do business in this state, as surety on the bond.  
13 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 12.)

14 Sec. 8501.113. CONFLICT OF INTEREST; CRIMINAL  
15 PENALTY. (a) A director or an engineer or employee of the  
16 authority may not be directly or indirectly interested, personally  
17 or as an agent for another person, in a contract for the purchase or  
18 construction of any work by the authority.

19 (b) A person commits an offense if the person violates this  
20 section. An offense under this subsection is a misdemeanor  
21 punishable by a fine not to exceed \$1,000, by confinement in the  
22 county jail for not less than six months or more than one year, or by  
23 both the fine and confinement. (Acts 44th Leg., R.S., G.L., Ch. 97,  
24 Sec. 13.)

25 [Sections 8501.114-8501.150 reserved for expansion]

26 SUBCHAPTER D. POWERS AND DUTIES

27 Sec. 8501.151. POWERS UNDER CONSTITUTION AND OTHER LAW.

1 The authority has the powers of a conservation and reclamation  
2 district under the constitution and other laws of this state,  
3 including the powers:

4 (1) expressly authorized in Section 59, Article XVI,  
5 Texas Constitution, for a district created to conserve, store,  
6 control, preserve, use, and distribute the storm water and  
7 floodwater and the water of the rivers and streams of the state;

8 (2) implied by the purposes of that section of the  
9 constitution; and

10 (3) given by general law. (Acts 44th Leg., R.S., G.L.,  
11 Ch. 97, Sec. 1 (part).)

12 Sec. 8501.152. APPLICABILITY OF WATER CODE. The rights,  
13 powers, privileges, and functions granted to the authority, and the  
14 authority itself, are expressly subject to Chapters 11, 12, 26, and  
15 49, Water Code, as applicable. (Acts 44th Leg., R.S., G.L., Ch. 97,  
16 Sec. 1 (part).)

17 Sec. 8501.153. STATE SUPERVISION AND APPROVAL. (a) The  
18 Texas Commission on Environmental Quality shall consider the  
19 adequacy of, and decide whether to approve, any flood control or  
20 conservation improvement plan that:

21 (1) is devised by the authority to achieve a plan or  
22 purpose for which the authority is created; and

23 (2) contemplates improvements that are to be  
24 supervised by the commission under general law.

25 (b) Before the authority establishes a diversion point or  
26 constructs a canal, pumping plant, or other work under this  
27 chapter, the authority must:

1           (1) present the plans and specifications for the  
2 project to the Texas Commission on Environmental Quality; and

3           (2) obtain the approval of the commission. (Acts 44th  
4 Leg., R.S., G.L., Ch. 97, Secs. 14(q), 15 (part).)

5           Sec. 8501.154. GENERAL POWERS RELATING TO WATER. (a) The  
6 authority has the rights and powers of an independent conservation  
7 and reclamation district to construct, maintain, and operate in the  
8 valleys of the Neches River and its tributaries, inside or outside  
9 the authority, any work considered essential:

10           (1) to the operation of the authority; and

11           (2) for the authority's administration in the control,  
12 storage, preservation, and distribution to all useful purposes of  
13 the water, including storm water and floodwater, of the Neches  
14 River and its tributaries.

15           (b) The authority has the same power of control and  
16 regulation over the waters of the Neches River and its tributaries  
17 that the state has, subject to the constitution and statutes of this  
18 state. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 1 (part).)

19           Sec. 8501.155. POWERS RELATING TO PARTICULAR PURPOSES. For  
20 the conservation and beneficial use of the water of the Neches River  
21 and its tributaries, including storm water and floodwater, the  
22 authority may control and use the water in the manner and for a  
23 particular purpose described by Section 8501.156, 8501.157,  
24 8501.158, 8501.159, 8501.160, or 8501.161. (Acts 44th Leg., R.S.,  
25 G.L., Ch. 97, Sec. 14 (part).)

26           Sec. 8501.156. POWERS RELATING TO FLOODING. In acting  
27 under Section 8501.155, the authority may:

1           (1) prevent the devastation of land from recurrent  
2 overflows;

3           (2) protect life and property in the authority from  
4 uncontrolled floodwater; and

5           (3) encourage the conservation of soil to prevent  
6 destructive erosion and to prevent the increased flood menace  
7 related to that erosion. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs.  
8 14(c) (part), (g).)

9           Sec. 8501.157. POWERS RELATING TO USE OF WATER IN GENERAL.  
10 In acting under Section 8501.155, the authority may:

11           (1) through practical means, provide for the control  
12 and coordination of the regulation of the water of the Neches River  
13 and its tributaries;

14           (2) by adequate organization and administration,  
15 provide for preserving the equitable rights of the people of  
16 different sections of the watershed area in the beneficial use of  
17 the water of the Neches River and its tributaries;

18           (3) store, control, and conserve the water of the  
19 Neches River and its tributaries inside or outside the authority  
20 and prevent the escape of that water without the maximum of public  
21 service;

22           (4) equitably distribute the water of the Neches River  
23 and its tributaries to meet the regional potential requirements for  
24 all uses, including domestic, manufacturing, and irrigation uses;  
25 and

26           (5) use controlled and conserved floodwater and storm  
27 water for any purpose that results in the performance of a useful

1 service authorized by the constitution of this state. (Acts 44th  
2 Leg., R.S., G.L., Ch. 97, Secs. 14(a), (b), (c) (part), (e) (part),  
3 (j).)

4 Sec. 8501.158. POWERS RELATING TO DOMESTIC, COMMERCIAL, OR  
5 INDUSTRIAL USE OF WATER. In acting under Section 8501.155, the  
6 authority may:

7 (1) conserve the water of the Neches River and its  
8 tributaries essential for the domestic uses of the people of the  
9 authority, including all necessary water supplies for cities and  
10 towns;

11 (2) control the water of the Neches River and its  
12 tributaries and make the water available for use in the development  
13 of commercial and industrial enterprises in the entire watershed  
14 area of the authority; and

15 (3) control, store, and use the water of the Neches  
16 River and its tributaries in the development and distribution of  
17 hydroelectric power, if that use is economically coordinated with  
18 other superior uses and subordinated to the uses declared by law to  
19 be superior. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs. 14(d), (h),  
20 (i).)

21 Sec. 8501.159. POWERS RELATING TO USE OF WATER FOR  
22 IRRIGATION. In acting under Section 8501.155, the authority may  
23 provide for the irrigation of all land in the authority or land  
24 outside the authority but inside the authority's watershed area  
25 where the irrigation is required for agricultural purposes or is  
26 considered helpful to more profitable agricultural production.  
27 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(e) (part).)

1           Sec. 8501.160. POWERS RELATING TO DRAINAGE OF WATER. In  
2 acting under Section 8501.155, the authority may:

3           (1) provide for the better encouragement and  
4 development of drainage systems for, and provide for the drainage  
5 of, lands in the valleys of the Neches River and its tributaries as  
6 needed for profitable agricultural production; and

7           (2) provide for drainage for other land in the  
8 watershed area of the authority as required for the most  
9 advantageous use of the land. (Acts 44th Leg., R.S., G.L., Ch. 97,  
10 Sec. 14(f).)

11          Sec. 8501.161. POWERS RELATING TO ACQUISITION OR OPERATION  
12 OF WORKS, LAND, OR OTHER PROPERTY. (a) In acting under Section  
13 8501.155, the authority may:

14           (1) purchase or construct any work necessary or  
15 convenient for the exercise of the authority's powers under this  
16 chapter and to accomplish the purposes of this chapter; and

17           (2) purchase or otherwise acquire land or other  
18 property necessary or convenient for carrying out the purposes of  
19 this chapter.

20           (b) The plans and works provided by the authority, and the  
21 works provided under the power of the authority, shall regard  
22 primarily the necessary and potential needs for water by or within  
23 the area in the authority constituting the watershed of the Neches  
24 River and its tributaries. (Acts 44th Leg., R.S., G.L., Ch. 97,  
25 Secs. 14(e) (part), (k).)

26          Sec. 8501.162. ADDITIONAL POWERS RELATING TO ACQUISITION OR  
27 OPERATION OF PROPERTY. (a) In this section, "property" includes

1 a right, including a water right, and includes land and a tenement,  
2 easement, improvement, reservoir, dam, canal, lateral, plant,  
3 work, and facility.

4 (b) The authority may investigate, plan, acquire,  
5 construct, maintain, or operate any property the authority  
6 considers necessary or proper for the accomplishment of the  
7 purposes of the authority.

8 (c) The power described by Subsection (b) includes the power  
9 to acquire property inside or outside the authority that is  
10 incidental or helpful to carrying out the authority's purposes  
11 under this chapter. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 16  
12 (part).)

13 Sec. 8501.163. POWERS RELATING TO CONTRACT, LEASE,  
14 AGREEMENT, OR CONVEYANCE. (a) The authority may enter into a  
15 contract, lease, or other agreement necessary or convenient to  
16 carry out a power given to the authority by this chapter.

17 (b) The authority may enter into the contract, lease, or  
18 agreement with any person, including:

- 19 (1) an individual or artificial entity;  
20 (2) a corporation, including a municipal corporation  
21 and a public or private corporation; and  
22 (3) a government or governmental agency, including the  
23 United States and this state.

24 (c) The authority may:

- 25 (1) convey or cause to be conveyed any of its property  
26 to the United States; and  
27 (2) enter into a lease, regardless of whether it



1 includes a privilege of purchase, with the United States relating  
2 to any property and obligate the authority to pay rent under the  
3 lease from the income or other revenue of the property.

4 (d) A contract, lease, or agreement under this section must  
5 be approved by resolution of the board and must be executed by the  
6 president and attested by the secretary-treasurer.

7 (e) This section does not authorize the assumption by the  
8 authority of any obligation requiring a payment from taxes.

9 (f) The property to which Subsection (c) applies includes a  
10 right, land, tenement, easement, improvement, reservoir, dam,  
11 canal, plant, lateral, work, and facility. (Acts 44th Leg., R.S.,  
12 G.L., Ch. 97, Sec. 14(o).)

13 Sec. 8501.164. RIGHT OF EMINENT DOMAIN. (a) The  
14 authority may exercise the power of eminent domain to acquire fee  
15 simple title to, or an easement over or through, any land, water, or  
16 land under water that is necessary or convenient for carrying out  
17 any purpose or power given to the authority by this chapter. The  
18 power applies to private or public property inside or outside the  
19 authority.

20 (b) A condemnation proceeding is under the direction of the  
21 board and must be in the name of the authority.

22 (c) The assessment of damages and all procedures related to  
23 condemnation, appeal, and payment must conform to Chapter 21,  
24 Property Code. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(1).)

25 Sec. 8501.165. COORDINATION AND JOINT UNDERTAKINGS AMONG  
26 DISTRICTS. (a) A drainage, conservation, reclamation, or other  
27 district created by this state with powers provided in Section 59,

Article XVI, Texas Constitution, may:

(1) coordinate its plans with the authority; and

(2) enter into joint undertakings with the authority for the purposes for which the entities are created.

(b) The acts taken under Subsection (a) must be approved by a majority of the boards of directors of all the districts involved. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 2.)

Sec. 8501.166. NO AUTHORITY FOR TAX OR SPECIAL ASSESSMENT. This chapter does not authorize the authority to impose a tax or special assessment or to create any debt payable from taxes. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 1 (part).)

[Sections 8501.167-8501.200 reserved for expansion]

#### SUBCHAPTER E. GENERAL FINANCIAL MATTERS

Sec. 8501.201. PROCEDURE FOR PAYMENT. A warrant for the payment of money by the authority may be drawn and signed by the president and the secretary-treasurer if the account under which the payment is to be made results from a contract made by the board and is ordered paid by the board. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 5 (part).)

Sec. 8501.202. RECORDS RELATING TO MONEY. The secretary-treasurer shall:

(1) receive and give a receipt for all money received by the authority; and

(2) keep records of all money received and spent by the authority. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 7 (part).)

Sec. 8501.203. FILING OF AUDIT. In addition to copies of the annual audit of the authority that are filed as required by

1 Section 49.194, Water Code, a copy shall be filed with the  
2 depository of the authority and the office of the auditor. (Acts  
3 44th Leg., R.S., G.L., Ch. 97, Sec. 10 (part).)

4 Sec. 8501.204. FEES. (a) The board shall prescribe fees  
5 to be collected for:

- 6 (1) the use of water;
- 7 (2) a water connection; or
- 8 (3) another service.

9 (b) The board shall set the fees in amounts that are  
10 reasonable and equitable and sufficient to produce revenue adequate  
11 to pay the items described by Subsection (c). The fees may not  
12 exceed what may be reasonably necessary to fulfill the obligations  
13 imposed on the authority by this chapter.

14 (c) The board shall pay the following items from the fees:

15 (1) all expenses necessary to the operation and  
16 maintenance of the improvements and facilities of the authority,  
17 including:

18 (A) the cost of the acquisition of materials and  
19 other property necessary to maintain the improvements and  
20 facilities in good condition and to operate them efficiently;

21 (B) necessary wages and salaries of the  
22 authority; and

23 (C) other expenses reasonably necessary to the  
24 efficient operation of the improvements and facilities;

25 (2) the interest on any obligation issued under this  
26 chapter and payable from the revenue from the improvements and  
27 facilities; and

1           (3) the amount required to be paid annually into the  
2 sinking fund for the payment of an obligation issued under this  
3 chapter and payable from the revenue of the improvements and  
4 facilities. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(m)  
5 (part).)

6           Sec. 8501.205. LIMITATION ON USE OF REVENUE. (a) A charge  
7 on the revenue derived from the improvements and facilities of the  
8 authority may not be made if the principal or interest of any  
9 obligation issued under this chapter is unpaid.

10          (b) If the revenue derived from the improvements and  
11 facilities of the authority exceed the amount required for the  
12 payment of items under Section 8501.204(c), the board may pay the  
13 cost of improvements and replacements not covered by Section  
14 8501.204(c)(1) and may establish a reasonable depreciation and  
15 emergency fund. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 14(m)  
16 (part).)

17           [Sections 8501.206-8501.250 reserved for expansion]

18           SUBCHAPTER F. OBLIGATIONS RELATING TO BORROWED MONEY

19           Sec. 8501.251. POWER TO BORROW MONEY; EVIDENCE OF  
20 OBLIGATION. The authority may:

21           (1) borrow money from any source, including an agency  
22 of the United States; and

23           (2) issue a note, warrant, certificate of  
24 indebtedness, or other form of obligation of the authority as  
25 evidence of the borrowed money. (Acts 44th Leg., R.S., G.L., Ch.  
26 97, Sec. 17 (part).)

27           Sec. 8501.252. OBLIGATION PAYABLE FROM REVENUE. (a) An

obligation issued under this chapter by the authority may be made payable from and secured by a pledge of:

(1) all the revenue derived from the operations and devices of the authority's improvements and facilities, excluding any revenue derived from a tax or assessment;

(2) only the revenue derived from the operation of the authority's improvements and facilities acquired with the proceeds from the sale of the obligation; or

(3) a specific part of the revenue derived from the operation of the authority's improvements and facilities.

(b) The proceedings authorizing the issuance of the obligation must identify the method described by Subsection (a) that is to be used to pay and secure the obligation. (Acts 44th Leg., R.S., G.L., Ch. 97, Secs. 17 (part), 19 (part).)

Sec. 8501.253. NO CREATION OF DEBT; NO PAYMENT FROM TAXES. (a) An obligation issued under this chapter is not a debt or a pledge of credit of the authority.

(b) The obligation:

(1) may not be paid in whole or part from any money raised by taxation; and

(2) must contain a recital to that effect. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

Sec. 8501.254. TIME OF SALE. An obligation issued under this chapter shall be sold at the time determined by the board to be expedient and necessary to the interest of the authority. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

Sec. 8501.255. MATURITY. An obligation issued under this

1 chapter must mature not more than 50 years after its date in the  
2 manner provided by the board. (Acts 44th Leg., R.S., G.L., Ch. 97,  
3 Sec. 18 (part).)

4 Sec. 8501.256. SIGNATURES. (a) An obligation issued  
5 under this chapter must be signed by the president and  
6 secretary-treasurer of the board. An interest coupon attached to  
7 an obligation may be executed with the facsimile signature of the  
8 president and secretary-treasurer.

9 (b) If an officer whose signature is on an obligation or  
10 coupon ceases to be an officer before the delivery of the obligation  
11 to the purchaser, the signature remains valid for all purposes.  
12 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 18 (part).)

13 Sec. 8501.257. LIEN ON REVENUE. (a) If more than one  
14 series of obligations is issued under this chapter payable from and  
15 secured by identical revenue, the priority of a lien against that  
16 revenue depends on the time of delivery of the obligations. A lien  
17 for a series of obligations is prior and superior to a lien for  
18 another series of obligations subsequently delivered.

19 (b) For an issue or series of obligations that are  
20 authorized as a unit but delivered periodically in blocks, the  
21 board may, in the proceedings authorizing the issuance of the  
22 obligations, provide that all the obligations of the issue or  
23 series are coequal as to lien regardless of the time of delivery.  
24 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 19 (part).)

25 Sec. 8501.258. SINKING FUND: IN GENERAL. (a) A resolution  
26 or order authorizing the issuance of obligations under this chapter  
27 must provide for the creation of a sinking fund. Amounts sufficient

1 to pay the principal of and interest on the obligations shall be  
2 paid into the fund from the revenue pledged to the payment of the  
3 obligations. The payments into the fund shall be made monthly as  
4 the revenue is collected.

5 (b) In the manner provided by this chapter, the money in the  
6 sinking fund shall be applied, at or before maturity of the  
7 obligations, solely to:

8 (1) the payment of interest on the obligations for the  
9 payment of which the fund is created; and

10 (2) the retirement of the obligations.

11 (c) A resolution or order authorizing the issuance of  
12 obligations under this chapter must provide that the revenue from  
13 which the obligations are to be paid and that is pledged to the  
14 payment of the obligations shall be:

15 (1) set apart and paid into the sinking fund monthly as  
16 the revenue accrues and is received; and

17 (2) disbursed in the manner provided by this chapter.

18 (d) In determining the amount of revenue to be set apart,  
19 the board shall provide that the amount to be set apart and paid  
20 into the sinking fund in any year shall be not less than a fixed  
21 amount. The fixed amount must be at least sufficient to:

22 (1) provide for the payment of the principal of and  
23 interest on all obligations maturing and becoming payable in the  
24 year; and

25 (2) create a surplus or margin of 10 percent in excess  
26 of the amount needed under Subdivision (1). (Acts 44th Leg., R.S.,  
27 G.L., Ch. 97, Secs. 20 (part), 22.)

1           Sec. 8501.259. SINKING FUND: EXCESS MONEY. (a) At the  
2 time obligations are authorized under this chapter, the board may  
3 provide that all money in the sinking fund in excess of the amount  
4 required for the payment of the principal of and interest on the  
5 outstanding obligations, for a period the board determines, shall  
6 be spent once each year under the board's order to purchase  
7 obligations for the account of which the sinking fund has been  
8 accumulated, if the obligations can be purchased at a price the  
9 board considers reasonable.

10           (b) The board may provide that, if the obligations contain  
11 an option permitting retirement before maturity, the excess amount  
12 shall be paid out as provided by this chapter for the purchase of  
13 the obligations. If the board is unable to purchase sufficient  
14 obligations of the issue to absorb all the surplus, the board shall  
15 call for redemption of a sufficient amount of the obligations to  
16 absorb, so far as practicable, the entire surplus remaining in the  
17 sinking fund.

18           (c) The board may provide that any excess amount in the  
19 sinking fund that cannot be applied to the purchase or redemption of  
20 obligations shall remain in the sinking fund to be used for payment  
21 of principal or interest, when due, or for the subsequent call of  
22 obligations for purchase or redemption in the manner provided by  
23 this section. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 20 (part).)

24           Sec. 8501.260. COVENANTS FOR MARKETABILITY. (a) A  
25 resolution or order authorizing the issuance of obligations under  
26 this chapter may contain covenants with the holders of the  
27 obligations on the following subjects as considered necessary to



1 ensure the marketability of the obligations:

2 (1) management and operation of the improvements and  
3 facilities of the authority;

4 (2) collection of fees for the use of the improvements  
5 and facilities;

6 (3) disposition of the fees;

7 (4) issuance of future obligations and creation of  
8 future liens, mortgages, and encumbrances against the improvements  
9 and facilities and the revenue of the improvements and facilities;  
10 and

11 (5) other pertinent matters.

12 (b) The covenants may not be inconsistent with this chapter.  
13 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 21.)

14 Sec. 8501.261. HOLDER OF OBLIGATION MAY COMPEL  
15 PERFORMANCE. (a) A holder of obligations issued under this  
16 chapter or of coupons originally attached to the obligations may  
17 enforce and compel the performance by the board of all duties  
18 required of the board by this chapter, including:

19 (1) setting and collecting reasonable and sufficient  
20 fees for the use of the improvements and facilities of the  
21 authority;

22 (2) segregating the income and revenue of the  
23 improvements and facilities; and

24 (3) applying the income and revenue under this  
25 chapter.

26 (b) The holder of the obligations or coupons may act under  
27 Subsection (a):

1           (1) at law or in equity; and

2           (2) by a suit, action, mandamus, or other proceeding.

3 (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 23 (part).)

4           Sec. 8501.262. HOLDER OF OBLIGATION ENTITLED TO  
5 ADMINISTRATOR OR RECEIVER. (a) If there is a default in the  
6 payment of the principal of or interest on an obligation issued  
7 under this chapter, any holder of the obligation is entitled to have  
8 an administrator or receiver appointed by a court to administer and  
9 operate, on behalf of the authority and the holders of the  
10 obligation, the improvements and facilities the revenue of which is  
11 pledged to the payment of the obligation.

12           (b) The administrator or receiver may:

13           (1) set and collect fees sufficient to:

14           (A) provide for the payment of operation and  
15 maintenance expenses as described by this chapter; and

16           (B) pay any outstanding obligations or interest  
17 coupons payable from the revenue of the improvements and  
18 facilities; and

19           (2) apply the income and revenue of the improvements  
20 and facilities in accordance with this chapter and the proceedings  
21 authorizing the issuance of the obligation. (Acts 44th Leg., R.S.,  
22 G.L., Ch. 97, Sec. 23 (part).)

23           Sec. 8501.263. ADDITIONAL SECURITY FOR OBLIGATION:  
24 MORTGAGE AND ENCUMBRANCE. (a) As additional security for the  
25 payment of an obligation issued under this chapter, the board may  
26 have executed in favor of the holders of the obligations an  
27 indenture mortgaging and encumbering:

1           (1) the improvements, facilities, and other property  
2 acquired with the proceeds of the sale of the obligation; or

3           (2) all the improvements, facilities, and other  
4 property of the authority.

5           (b) In the encumbrance, the board may provide for granting  
6 to any purchaser at a foreclosure sale under the encumbrance a  
7 franchise to operate the improvements, facilities, and other  
8 property for a term not to exceed 50 years after the date of the  
9 purchase, subject to the laws regulating the matter.

10          (c) The indenture:

11           (1) may contain the provisions the board considers  
12 proper; and

13           (2) is enforceable in the manner provided by the laws  
14 of this state for the enforcement of other mortgages and  
15 encumbrances. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 24 (part).)

16          Sec. 8501.264. SALE UNDER MORTGAGE OR ENCUMBRANCE. (a)  
17 Under a sale ordered under a mortgage or encumbrance described by  
18 Section 8501.263, a purchaser of the improvements, facilities, and  
19 other property at the sale, and the purchaser's successors or  
20 assigns, are vested with a permit and franchise to maintain and  
21 operate the improvements, facilities, and other property with  
22 powers and privileges like those held by the authority in the  
23 operation of the improvements, facilities, and other property.

24          (b) Instead of operating the improvements, facilities, and  
25 other property as provided by Subsection (a), the purchaser and the  
26 purchaser's successors or assigns may remove all or part of the  
27 improvements, facilities, and other property for diversion to other

1 purposes. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 24 (part).)

2 Sec. 8501.265. STATE FRANCHISE LAW NOT APPLICABLE. A  
3 statute of this state relating to the granting of franchises is not  
4 applicable to:

5 (1) the authorization or execution of a mortgage or  
6 encumbrance entered into under this chapter; or

7 (2) the grant of a franchise under this chapter. (Acts  
8 44th Leg., R.S., G.L., Ch. 97, Sec. 24 (part).)

9 Sec. 8501.266. DEPOSIT OF PROCEEDS. (a) The proceeds of  
10 the sale of an obligation issued under this chapter may be:

11 (1) deposited in one or more banks on which the  
12 purchaser of the obligations and the board agree; and

13 (2) deposited and paid out under the conditions and  
14 other terms to which the purchaser and board agree.

15 (b) The statutes of this state relating to the deposit of  
16 authority funds in the depository of the authority do not apply to  
17 the deposit of the proceeds of the sale of an obligation issued  
18 under this chapter. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 25  
19 (part).)

20 Sec. 8501.267. USE OF UNSPENT PROCEEDS AFTER PROJECT  
21 COMPLETION. Any part of the proceeds of the sale of an obligation  
22 issued under this chapter that are unspent after the project for  
23 which the obligations were authorized is completed may be paid into  
24 the sinking fund for the payment of the obligation and may be used  
25 only for:

26 (1) the payment of the principal of the obligation; or

27 (2) the purpose of acquiring outstanding obligations

1 by purchase in the manner provided by this chapter. (Acts 44th  
2 Leg., R.S., G.L., Ch. 97, Sec. 25 (part).)

3 Sec. 8501.268. INSURING IMPROVEMENTS AND FACILITIES. (a)  
4 The board may enter into, under terms to which the board agrees, an  
5 agreement with the purchaser of an obligation issued under this  
6 chapter to:

7 (1) keep all the improvements and facilities, the  
8 revenue of which is pledged to the payment of the obligation,  
9 insured with insurers of good standing against loss or damage by  
10 fire, water or flood, or another hazard that private companies that  
11 operate similar property customarily cover by insurance; and

12 (2) carry with one or more insurers of good standing  
13 the insurance covering the use and occupancy of the property as is  
14 customarily carried by private companies that operate similar  
15 property.

16 (b) The cost of the insurance shall be budgeted as a  
17 maintenance and operation expense.

18 (c) The insurance shall be carried for the benefit of the  
19 holder of the obligation. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec.  
20 26.)

21 Sec. 8501.269. REFUNDING OBLIGATION. (a) The authority  
22 may authorize and issue, on terms the board considers advisable, a  
23 refunding obligation to provide for the retirement of an  
24 outstanding obligation issued by the authority under this chapter.  
25 The refunding obligation:

26 (1) may be issued for an obligation that is due or to  
27 become due; and

1           (2) is subject to the provisions of this chapter  
2 relating to the issuance of other obligations.

3           (b) A refunding obligation may be:

4           (1) exchanged for like par amounts of the outstanding  
5 obligation; or

6           (2) sold, with the proceeds being used to retire the  
7 outstanding obligation.

8           (c) The refunding obligation must be:

9           (1) secured in all respects to the same extent as other  
10 obligations issued under this chapter; and

11           (2) paid from the same revenue from which the refunded  
12 obligation was to be paid. (Acts 44th Leg., R.S., G.L., Ch. 97,  
13 Sec. 28.)

14       Sec. 8501.270. TAX EXEMPTION. An obligation issued under  
15 this chapter is exempt from taxation by this state or by any  
16 municipal corporation, county, or other political subdivision or  
17 taxing district of this state. (Acts 44th Leg., R.S., G.L., Ch. 97,  
18 Sec. 27.)

19       [Sections 8501.271-8501.900 reserved for expansion]

20           SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

21       Sec. 8501.901. CHAPTER AS FULL AUTHORITY; OTHER STATUTES  
22 NOT APPLICABLE. (a) This chapter, without reference to other  
23 statutes of this state, is full authority for the authorization and  
24 issuance of an obligation under this chapter and for the  
25 accomplishment of all actions authorized by this chapter. No other  
26 proceedings are necessary.

27           (b) A statute of this state does not apply to a proceeding or

other act under this chapter if the statute:

(1) relates to:

(A) the authorization or issuance of obligations;

(B) the operation or maintenance of an improvement or facility;

(C) the grant of a franchise or permit; or

(D) the right to an election or referendum petition; or

(2) in any way impedes or restricts the implementation of the acts authorized under this chapter.

(c) Notwithstanding Subsections (a) and (b), this section does not prevent another statute from applying to the authority if the legislative intent is that the other statute supersede or operate in conjunction with this chapter. (Acts 44th Leg., R.S., G.L., Ch. 97, Sec. 30.)

[Chapters 8502-8800 reserved for expansion]

#### SUBTITLE H. DISTRICTS GOVERNING GROUNDWATER

#### CHAPTER 8801. HARRIS-GALVESTON COASTAL SUBSIDENCE DISTRICT

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26                    [Sections 8801.165-8801.200 reserved for expansion]  
27                                SUBCHAPTER E.   APPEAL AND ENFORCEMENT PROVISIONS

1 Sec. 8801.201. APPEAL OF SURFACE WATER RATES

2 Sec. 8801.202. APPEAL OF DISTRICT ACTIONS

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6 CHAPTER 8801. HARRIS-GALVESTON COASTAL SUBSIDENCE DISTRICT

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 8801.001. DEFINITIONS. In this chapter:

9 (1) "Board" means the board of directors of the  
10 district.

11 (2) "Commission" means the Texas Commission on  
12 Environmental Quality.

13 (3) "District" means the Harris-Galveston Coastal  
14 Subsidence District.

15 (4) "Groundwater" means water located beneath the  
16 earth's surface. The term does not include water produced with oil  
17 in the production of oil and gas.

18 (5) "Subsidence" means the lowering of the elevation  
19 of the surface of land by groundwater withdrawal.

20 (6) "Water conservation" means a measure that seeks to  
21 make a water supply available for alternative or future use. The  
22 term includes best management practices, improved efficiency or  
23 accountability, recycling, reuse, pollution prevention, and  
24 reduction in consumption, loss, or waste.

25 (7) "Well" means a facility, device, or method used to  
26 withdraw groundwater from the groundwater supply.

27 (8) "Well owner" means a person who has an ownership

1 interest in a well, operates a well, owns land on which a well is  
2 located, or owns the water withdrawn or to be withdrawn from a well.

3 (9) "Withdrawal" means the act of extracting by  
4 pumping or some other method. (Water Code, Secs. 151.002(1), (2),  
5 (3), (5), (7), (8), (9), (10), (11).)

6 Sec. 8801.002. NATURE OF DISTRICT. The district is a  
7 groundwater conservation district created under Section 59,  
8 Article XVI, Texas Constitution, and is essential to accomplish the  
9 purposes of that section. (Water Code, Sec. 151.001(a).)

10 Sec. 8801.003. PURPOSE; LEGISLATIVE INTENT. (a) The  
11 purpose of this chapter is to provide for the regulation of  
12 groundwater withdrawal in the district to end subsidence, which  
13 contributes to or precipitates flooding or overflow of the  
14 district, including rising water resulting from a storm or  
15 hurricane.

16 (b) The legislature intends that the district shall  
17 administer and enforce this chapter and exercise the district's  
18 rights, powers, and duties in a manner that will effectively and  
19 expeditiously accomplish the purpose of this chapter. (Water Code,  
20 Secs. 151.004(a), (b).)

21 Sec. 8801.004. FINDINGS OF BENEFIT AND PUBLIC  
22 PURPOSE. (a) The district is created to serve a public use and  
23 benefit.

24 (b) The works and projects accomplished by the district  
25 under powers conferred by Section 59, Article XVI, Texas  
26 Constitution, will benefit all the land and other property included  
27 in the district. (Water Code, Sec. 151.004(c).)

1           Sec. 8801.005. DISTRICT TERRITORY. The district includes  
2 the territory located within the boundaries of Harris County and  
3 Galveston County, as that territory may have been modified under:

4           (1) Section 8801.006 or its predecessor statute,  
5 former Section 151.003(b), Water Code;

6           (2) Subchapter J, Chapter 36, Water Code; or

7           (3) other law. (Water Code, Sec. 151.003(a); New.)

8           Sec. 8801.006. ADDITION OF ADJACENT COUNTY TO  
9 DISTRICT. (a) A county adjoining the district may be added to the  
10 district:

11           (1) on application by the commissioners court of the  
12 adjoining county; and

13           (2) by complying with the procedures provided by  
14 Subchapter K, Chapter 36, Water Code.

15           (b) A county added to the district under this section is  
16 subject to this chapter and the jurisdiction of the board. (Water  
17 Code, Sec. 151.003(b) (part).)

18           [Sections 8801.007-8801.050 reserved for expansion]

19           SUBCHAPTER B. DISTRICT ADMINISTRATION

20           Sec. 8801.051. DIRECTORS. (a) The district is governed  
21 by a board composed of 19 directors appointed as provided by this  
22 section. Directors serve for two-year, staggered terms. A  
23 director must be a qualified voter of the district.

24           (b) The mayor of the municipality with the largest  
25 population of any municipality in the district shall appoint six  
26 directors from that municipality. One of those directors must be a  
27 representative of industry.

1           (c) The mayor of the municipality with the second largest  
2 population of any municipality in the district shall appoint one  
3 director from that municipality.

4           (d) The mayors of all municipalities in Galveston County  
5 shall jointly appoint two directors from those municipalities.

6           (e) The mayor of Baytown shall appoint one director from the  
7 municipality of Baytown.

8           (f) The Commissioners Court of Harris County shall appoint  
9 three directors who are not residents of the municipality that has  
10 the largest population of any municipality in the district. One of  
11 those directors must be a representative of agriculture, one must  
12 be a representative of industry, and one must be a representative of  
13 municipal utility districts and a resident of a municipal utility  
14 district in the district.

15           (g) The Commissioners Court of Galveston County shall  
16 appoint three directors. One of those directors must be a  
17 representative of municipal utility districts and a resident of a  
18 municipal utility district in the district.

19           (h) The president of the Clear Lake City Water Authority and  
20 the mayors of the municipalities of Deer Park, Galena Park, La  
21 Porte, Nassau Bay, and Seabrook shall jointly appoint one director  
22 from Harris County.

23           (i) The mayors of the municipalities of West University  
24 Place, Southside Place, Bellaire, and Jacinto City shall jointly  
25 appoint one director from Harris County.

26           (j) The mayors of the municipalities of Humble, Piney Point  
27 Village, Hedwig Village, Bunker Hill Village, Hunters Creek

1 Village, Hilshire Village, and Spring Valley shall jointly appoint  
2 one director from Harris County. (Water Code, Sec. 151.031.)

3 Sec. 8801.052. APPOINTMENT OF DIRECTORS ON ADDITION OF  
4 COUNTY TO DISTRICT. (a) On addition of a county to the district  
5 under Section 8801.006, two directors are added to the board as  
6 follows:

7 (1) the commissioners court of the county added to the  
8 district shall appoint one director; and

9 (2) the mayor of the municipality that has the largest  
10 population in the added county shall appoint one director.

11 (b) The directors added to the board under Subsection (a)  
12 shall draw lots to establish staggered terms of office. (Water  
13 Code, Sec. 151.003(b) (part).)

14 Sec. 8801.053. BOARD POWERS AND DUTIES. In addition to the  
15 powers and duties described in this chapter, the board has all other  
16 powers necessary or convenient to carry out its responsibilities  
17 and accomplish the purpose of this chapter. (Water Code, Sec.  
18 151.005(b) (part).)

19 Sec. 8801.054. OFFICERS. Each year, at the first meeting  
20 after the new directors take office, the directors shall select  
21 from among the directors a president, a vice president, and a  
22 secretary. (Water Code, Sec. 151.032(a).)

23 Sec. 8801.055. MEETINGS. The board shall hold regular  
24 meetings once each month at a time set by the board. The board may  
25 hold special meetings at the call of the president or on the written  
26 request of at least three directors. (Water Code, Sec. 151.034.)

27 Sec. 8801.056. VACANCIES. If a vacancy occurs on the board,

1 a person representing the same area as the vacating director shall  
2 be appointed as provided by Section 8801.051 to serve the unexpired  
3 term. (Water Code, Sec. 151.033.)

4 Sec. 8801.057. GENERAL MANAGER. (a) The board shall  
5 employ a general manager, who serves as the chief administrative  
6 officer of the district.

7 (b) The duties of the general manager include:

8 (1) administering board orders;

9 (2) coordinating with state, federal, and local  
10 agencies;

11 (3) overseeing development of district plans and  
12 programs; and

13 (4) performing other duties assigned by the board.

14 (c) The board shall determine the compensation and terms of  
15 office and employment for the general manager.

16 (d) The board by majority vote may discharge the general  
17 manager. (Water Code, Secs. 151.035(a) (part), (b), (c).)

18 Sec. 8801.058. EMPLOYEES; BOND. (a) The general manager  
19 shall employ persons necessary to properly handle district business  
20 and operation. The general manager may employ attorneys,  
21 bookkeepers, engineers, and other expert and specialized personnel  
22 considered necessary.

23 (b) The general manager shall determine the compensation  
24 paid to district employees.

25 (c) The general manager may discharge a district employee.

26 (d) The board shall require an employee who collects, pays,  
27 or handles district funds to furnish a good and sufficient bond.

1 The bond must be in an amount sufficient to safeguard the district  
2 and must be:

- 3 (1) payable to the district; and  
4 (2) conditioned on the faithful performance of the  
5 employee's duties and on accounting for all district funds and  
6 property in the employee's hands.

7 (e) The district shall pay for the bond described by  
8 Subsection (d). (Water Code, Sec. 151.036.)

9 [Sections 8801.059-8801.100 reserved for expansion]

10 SUBCHAPTER C. POWERS AND DUTIES

11 Sec. 8801.101. DISTRICT POWERS AND DUTIES. (a) Except as  
12 provided by Sections 8801.102 and 8801.103, the district has all of  
13 the rights, powers, privileges, authority, functions, and duties  
14 provided by the general laws of this state, including Chapter 36,  
15 Water Code, that are applicable to groundwater conservation  
16 districts created under Section 59, Article XVI, Texas  
17 Constitution.

18 (b) This chapter prevails over any other law in conflict or  
19 inconsistent with this chapter. (Water Code, Secs. 151.005(a),  
20 (e).)

21 Sec. 8801.102. EXEMPTIONS. Sections 36.104, 36.114,  
22 36.117, and 36.201-36.204, Water Code, do not apply to the  
23 district. (Water Code, Sec. 151.005(c).)

24 Sec. 8801.103. SALE OR DISTRIBUTION OF WATER PROHIBITED.  
25 The district may not sell or distribute surface water or  
26 groundwater for any purpose. (Water Code, Sec. 151.005(d).)

27 Sec. 8801.104. AUTHORITY TO COMPEL TESTIMONY, ADMINISTER



1 OATHS, AND ISSUE SUBPOENAS. If necessary to carry out its powers,  
2 duties, and functions under this chapter, the board may:

- 3 (1) compel the testimony of a person;  
4 (2) administer an oath to a person compelled to  
5 testify before the board or a person designated by the board; and  
6 (3) issue a subpoena to compel the testimony of a  
7 person and the production of a document. (Water Code, Sec.  
8 151.073.)

9 Sec. 8801.105. REPRESENTATION BY ATTORNEY GENERAL. The  
10 attorney general shall defend the district in suits brought against  
11 the district in all district and appellate courts of this state and  
12 in the courts of the United States. (Water Code, Sec. 151.037(b).)

13 Sec. 8801.106. GRANTS; CONTRACTS. The district may make or  
14 accept a grant, gratuity, advance, or loan in any form to or from  
15 any public source approved by the board, including a governmental  
16 entity, and may enter into a contract, agreement, or covenant that  
17 the board considers appropriate in connection with a grant,  
18 gratuity, advance, or loan. (Water Code, Sec. 151.083(b).)

19 Sec. 8801.107. COOPERATION WITH GOVERNMENTAL ENTITIES. In  
20 implementing this chapter, the board may request the assistance of  
21 and cooperate with a local government or an agency of this state or  
22 of the United States. (Water Code, Sec. 151.083(a).)

23 Sec. 8801.108. RULES. (a) After notice and hearing, the  
24 board shall adopt rules designed to expeditiously and effectively  
25 implement this chapter and accomplish its purpose, including rules  
26 governing procedures before the board. The board shall enforce the  
27 rules.

1 (b) The board shall compile its rules in a book and make the  
2 rules available for use and inspection at the district's principal  
3 office. (Water Code, Sec. 151.071.)

4 Sec. 8801.109. HEARINGS. (a) Board hearings must be  
5 conducted as provided by this section and Section 8801.110.

6 (b) At a regular meeting of the board, the board shall set  
7 the dates, times, and locations for hearings to be held under this  
8 chapter. The board may hold hearings at any location in the  
9 district and may recess a hearing from day to day.

10 (c) A person may appear at a hearing and present testimony,  
11 evidence, exhibits, or other information in person or by counsel,  
12 or both.

13 (d) The board may use hearing examiners to hear a subject  
14 set for the hearing, but the board must make the decision on the  
15 subject. Procedures for use of hearing examiners shall be provided  
16 by rule. (Water Code, Secs. 151.072(a) (part), (b) (part), (f),  
17 (g), (h), (i).)

18 Sec. 8801.110. NOTICE OF HEARINGS. (a) Except as  
19 provided by this section, notice of hearings shall be provided  
20 according to Chapter 551, Government Code.

21 (b) At a meeting at which the board sets a hearing, the board  
22 shall direct the general manager of the district to give notice of  
23 the hearing.

24 (c) Written notice must be given to:

25 (1) each county and municipal government in the  
26 district; and

27 (2) each person that the board believes has an

1 interest in the subject matter of the hearing.

2 (d) Notice of a hearing must be published at least once in a  
3 newspaper of general circulation in each county in the district.

4 (e) A copy of the notice must be posted in the place where  
5 notices are usually posted at the county courthouse of each county  
6 in the district. (Water Code, Secs. 151.072(a) (part), (b) (part),  
7 (c), (d), (e).)

8 Sec. 8801.111. DISTRICT PLAN. (a) The board shall  
9 formulate a plan to control and prevent subsidence in the district.

10 (b) The plan must:

11 (1) reduce groundwater withdrawals to amounts that  
12 will restore and maintain sufficient artesian pressure to control  
13 and prevent subsidence; and

14 (2) specify in as much detail as practicable the acts,  
15 procedures, performance, and avoidance that are necessary to  
16 accomplish the purpose of this chapter.

17 (c) Information gathered for formulating the plan must  
18 include:

19 (1) a list of all wells in the district that are  
20 subject to regulation under this chapter;

21 (2) a list of all available sources of water, other  
22 than groundwater, in the district;

23 (3) the purposes for which the water described by  
24 Subdivision (2) is used and for which it is proposed to be used;

25 (4) accurate estimates of:

26 (A) groundwater withdrawal from all wells or  
27 proposed wells in the district;

1                   (B) the amount of groundwater that may be  
2 withdrawn from each area in the district without causing a  
3 reduction of artesian pressure that will lead to subsidence in the  
4 district; and

5                   (C) current and future water needs in the  
6 district;

7                   (5) information relating to formulating a permit  
8 system; and

9                   (6) other information and material necessary to manage  
10 groundwater in the district and to effectively and expeditiously  
11 accomplish the purpose of this chapter. (Water Code, Secs.  
12 151.074, 151.075(a).)

13           Sec. 8801.112. ADOPTION OF DISTRICT PLAN. (a) The board  
14 shall hold a hearing to consider a plan formulated under Section  
15 8801.111.

16           (b) After the hearing, the board shall:

17                   (1) make any changes it considers necessary according  
18 to evidence and material presented at the hearing; and

19                   (2) adopt the plan.

20           (c) The board may amend or repeal a plan adopted under this  
21 section and may adopt a new plan as provided by this section for the  
22 adoption of the original plan.

23           (d) An adopted plan remains in effect until a new plan is  
24 adopted. (Water Code, Secs. 151.075(b), (c), (d).)

25           Sec. 8801.113. WATER CONSERVATION MEASURES. (a) The  
26 board may adopt rules requiring the use of water conservation  
27 measures to reduce groundwater withdrawals.

1           (b) The district may cooperate with the commission and any  
2 local government to establish water conservation goals,  
3 guidelines, and plans to be used in the district.

4           (c) The district may contract with a local government in the  
5 district to provide services needed to meet water conservation  
6 requirements that the commission establishes. (Water Code, Sec.  
7 151.079.)

8           Sec. 8801.114. DISTRICT RESEARCH. The district may conduct  
9 studies and research that the board considers necessary to  
10 implement this chapter. In conducting studies and research, the  
11 district may use the services of geologists, hydrologists, licensed  
12 engineers, or other expert personnel. (Water Code, Sec. 151.082.)

13           Sec. 8801.115. STUDIES BY BOARD STAFF. At least once each  
14 year and at any other time the board considers necessary, the board  
15 shall have its staff and, if necessary, the staff of the Texas Water  
16 Development Board make a complete study of the groundwater in the  
17 district and determine:

18                   (1) the water level;

19                   (2) the rates and amounts of groundwater withdrawal;

20 and

21                   (3) other information relating to groundwater  
22 withdrawal that may effect subsidence in the district. (Water  
23 Code, Sec. 151.076.)

24           Sec. 8801.116. ACCESS TO PROPERTY. (a) To perform  
25 technical and other investigations needed to implement this  
26 chapter, the board and its agents and employees are entitled to  
27 access to all property in the district.

1 (b) Before entering property for the purposes of this  
2 section, the person seeking access shall:

3 (1) give notice to the owner of the property as  
4 provided by district rules; and

5 (2) present proper credentials.

6 (c) The board and its agents and employees who enter private  
7 property shall observe the establishment's rules concerning  
8 safety, internal security, and fire protection. (Water Code, Sec.  
9 151.038.)

10 Sec. 8801.117. ANNUAL GROUNDWATER WITHDRAWAL  
11 DETERMINATION. (a) Not later than March 31 of each year, the  
12 board shall hold a hearing to determine the effects of groundwater  
13 withdrawal during the preceding calendar year on subsidence in the  
14 district.

15 (b) At the hearing, the board shall consider information  
16 provided under Sections 8801.115 and 8801.162 and information  
17 presented by persons appearing before the board.

18 (c) After the hearing, the board shall:

19 (1) consider all information presented to it;

20 (2) determine groundwater withdrawal in the district  
21 during the preceding calendar year; and

22 (3) make findings on the effects of groundwater  
23 withdrawal during the preceding calendar year on subsidence in the  
24 district.

25 (d) The board's findings and determinations under  
26 Subsection (c) shall be included in a report adopted by the board.  
27 The board shall make the report available for examination by any

1 interested person. (Water Code, Sec. 151.077.)

2       Sec. 8801.118. MONITORING AND SUPERVISION BY DISTRICT. The  
3 district may use subsidence compaction monitors, water-level  
4 observation wells, and other materials and equipment to determine  
5 the amount of groundwater that may be withdrawn while allowing  
6 groundwater to rebound and stabilize to a level that will halt  
7 subsidence. (Water Code, Sec. 151.081.)

8       Sec. 8801.119. REGULATION OF SPACING AND GROUNDWATER  
9 WITHDRAWAL. (a) To minimize as far as practicable the drawdown of  
10 the water table and the reduction of artesian pressure and to  
11 control and prevent subsidence, the board may provide for the  
12 spacing of wells in the district and may regulate groundwater  
13 withdrawal from wells, taking into consideration the economic  
14 impact on well owners, the resulting effect on subsidence, and  
15 other relevant factors.

16       (b) Before issuing an order or rule under this section, the  
17 board shall set a hearing on the proposed order or rule. (Water  
18 Code, Sec. 151.078.)

19       Sec. 8801.120. WATER-METERING DEVICES. The board may  
20 require water-metering devices to be placed on wells in the  
21 district. (Water Code, Sec. 151.080.)

22       [Sections 8801.121-8801.150 reserved for expansion]

23               SUBCHAPTER D. REGULATORY PROVISIONS

24       Sec. 8801.151. GROUNDWATER WITHDRAWALS SUBJECT TO BOARD  
25 RULE. Groundwater withdrawals governed by this chapter are subject  
26 to reasonable board rules and orders, taking into account all  
27 factors, including availability of surface water, economic impact

1 on persons and the community, degree and effect of subsidence on the  
2 surface of land, and differing topographical and geophysical  
3 characteristics of land areas in the district. (Water Code, Sec.  
4 151.005(b) (part).)

5 Sec. 8801.152. CERTAIN WELLS EXEMPT. The regulatory  
6 provisions of this chapter do not apply to:

7 (1) a well regulated under Chapter 27, Water Code;  
8 (2) a well with a casing diameter of less than five  
9 inches that serves a single-family dwelling; and

10 (3) any other well as provided by board rule. (Water  
11 Code, Sec. 151.084(a).)

12 Sec. 8801.153. RESTRICTION ON REQUIREMENTS FOR CERTAIN  
13 MUNICIPALITIES. The board may require a municipality with a  
14 population of less than 100,000 to reduce its groundwater  
15 withdrawal by more than 50 percent in a three-year period only if  
16 the board determines at a public hearing that the reduction:

17 (1) would not cause the municipality to have an  
18 inadequate supply of water for its residents; and

19 (2) would not cause an increase of 50 percent or more  
20 in water rates for the municipality or its residents. (Water Code,  
21 Sec. 151.126(f).)

22 Sec. 8801.154. WELL REGISTRATION. The board by rule may  
23 require the registration of any well in the district. (Water Code,  
24 Sec. 151.084(b).)

25 Sec. 8801.155. PERMIT REQUIRED. The owner or operator of a  
26 well located in the district must obtain a permit from the board  
27 before:



- 1 (1) drilling, equipping, or completing the well;
- 2 (2) substantially altering the size of the well or a
- 3 well pump; or
- 4 (3) operating the well. (Water Code, Secs.
- 5 151.002(4), 151.121.)

6 Sec. 8801.156. APPLICATION FOR PERMIT. (a) A person must  
7 submit an application to the board to obtain a permit under this  
8 chapter.

9 (b) The application must state:

- 10 (1) the name and address of the person requesting the
- 11 permit;
- 12 (2) the location and wellhead elevation of the well or
- 13 proposed well;
- 14 (3) the amount of water being withdrawn or proposed to
- 15 be withdrawn; and
- 16 (4) any other information necessary for the board to
- 17 control and prevent subsidence in the district.

18 (c) The board shall set a reasonable fee for processing an  
19 application. The application must be accompanied by the fee.  
20 (Water Code, Sec. 151.124.)

21 Sec. 8801.157. NOTICE AND HEARING ON PERMIT. (a) On  
22 receiving an application for a permit, the board shall issue notice  
23 and set a time for a hearing on the application.

24 (b) The board must give notice of the date, time, and  
25 location of the hearing to the applicant by certified mail, return  
26 receipt requested.

27 (c) The board may consider as many applications for permits

1 as necessary at a hearing. (Water Code, Sec. 151.125.)

2 Sec. 8801.158. ISSUANCE OF PERMIT. (a) Within a  
3 reasonable period after a permit hearing under Section 8801.157,  
4 but not later than the 60th day after the date of the hearing, the  
5 board shall:

- 6 (1) decide whether to issue the permit; and  
7 (2) set the terms of the permit if it decides to issue  
8 the permit.

9 (b) In deciding whether to issue a permit and in setting the  
10 terms of the permit, the board shall consider:

- 11 (1) the purpose of this chapter;  
12 (2) the district plan;  
13 (3) the quality, quantity, and availability of surface  
14 water at prices that are competitive with prices charged by  
15 suppliers of surface water in the district;  
16 (4) the economic impact on the applicant of a decision  
17 to issue or deny the permit, or of the permit terms, in relation to  
18 the effect on subsidence that would result;  
19 (5) the applicant's use of water conservation  
20 measures; and  
21 (6) all other relevant factors.

22 (c) The board shall issue a permit to an applicant if, on  
23 presentation of adequate proof, the board finds that:

- 24 (1) there is no other adequate and available  
25 substitute or supplemental source of surface water at prices  
26 competitive with the prices charged by suppliers of surface water  
27 in the district; and

1           (2) compliance with any provision of this chapter or  
2 any district rule will result in an arbitrary taking of property or  
3 in the practical closing and elimination of a lawful business,  
4 occupation, or activity without sufficient corresponding benefit  
5 or advantage to the public.

6           (d) The permit must state the terms prescribed by the board.  
7 The permit must include:

8                 (1) the name and address of the person to whom the  
9 permit is issued;

10                (2) the location of the well;

11                (3) the date the permit expires;

12                (4) conditions and restrictions placed on groundwater  
13 withdrawal; and

14                (5) other terms necessary to control and prevent  
15 subsidence. (Water Code, Secs. 151.126(a), (b), (c), (d), (e).)

16           Sec. 8801.159. TERM OF PERMIT. (a) A permit issued under  
17 this chapter may be for a term not to exceed five years as set by the  
18 board.

19           (b) A permit does not become a vested right of the permit  
20 holder. The board may revoke or suspend a permit or amend its terms  
21 after notice and hearing when reasonably necessary to accomplish  
22 the purpose of this chapter. (Water Code, Sec. 151.122.)

23           Sec. 8801.160. RENEWAL OF PERMIT. The board may renew a  
24 permit for a well in the manner provided for obtaining the original  
25 permit. (Water Code, Sec. 151.123.)

26           Sec. 8801.161. PERMIT FEES. (a) When the board issues or  
27 renews a permit, the board shall collect a permit fee from the

1 applicant. The fee shall be determined by a schedule based on the  
2 term of the permit and the maximum annual amount of groundwater that  
3 the board authorizes to be withdrawn from the well.

4 (b) The board shall determine the amount of a permit fee  
5 after a hearing. The fee may not exceed 110 percent of the highest  
6 rate that the City of Houston charges for surface water supplied to  
7 its customers in the district.

8 (c) The amount of a permit fee applicable to a well used for  
9 irrigating agricultural crops is the lowest of:

10 (1) 70 percent of the lowest amount determined under  
11 Subsection (b);

12 (2) 70 percent of a base amount of one cent for each  
13 thousand gallons authorized to be withdrawn, except that the board  
14 may adjust the base amount annually to account for increases since  
15 1992 in the most recently published Consumer Price Index for All  
16 Urban Consumers, All Items (Houston, Texas, Average), as compiled  
17 by the Bureau of Labor Statistics, United States Department of  
18 Labor; or

19 (3) the amount determined in accordance with  
20 Subsection (d).

21 (d) At a hearing, the board shall calculate and express as a  
22 percentage the relative contribution to subsidence by wells used  
23 for irrigating agricultural crops and wells used for other  
24 purposes. The board shall use information prepared by the United  
25 States Geological Survey, which is presumed to be correct. The  
26 permit fee for wells used for irrigating agricultural crops must be  
27 such that the percentage of total permit fee revenue that permit fee

1 revenue from those wells represents equals the percentage that  
2 agricultural use contributes to subsidence.

3 (e) The board shall use permit fees collected under this  
4 section to pay the cost of issuing permits and performing other  
5 regulatory functions. (Water Code, Sec. 151.128.)

6 Sec. 8801.162. ANNUAL REPORT. Before January 31 each year,  
7 a well owner who holds a permit under this chapter shall submit to  
8 the board a report stating:

9 (1) the well owner's name;

10 (2) the total amount of groundwater withdrawn from the  
11 well during the preceding 12-month period;

12 (3) the total amount of groundwater withdrawn from the  
13 well during each month of the preceding 12-month period;

14 (4) the purpose for which the groundwater was used;  
15 and

16 (5) any other information the board considers  
17 necessary. (Water Code, Sec. 151.127.)

18 Sec. 8801.163. CONVERSION TO SURFACE WATER. (a) In this  
19 section, "alternative water supply" means a water supply that a  
20 person needs to acquire from sources other than the person's own  
21 groundwater supply to comply with a board order issued under this  
22 section.

23 (b) The board may issue an order requiring a person to  
24 completely or partially discontinue the use of groundwater only if  
25 the person is able to acquire a water supply composed of surface  
26 water needed to replace the water supply covered by the order.

27 (c) A notice of public hearing must inform a person when the

1 board will consider an order to convert to surface water.

2 (d) In addition to the percentage of groundwater that a  
3 board order authorizes a person to use, the person may use in the  
4 current permit year a percentage of groundwater that is equal to the  
5 percentage result of multiplying the annual average percentage of  
6 groundwater, as determined under Section 8801.164(d), delivered to  
7 the person during the preceding permit year by the total percentage  
8 of alternative water supply required by the board's order for the  
9 current year.

10 (e) This section does not limit the board's authority to  
11 issue an order or adopt a rule requiring a person to reduce  
12 groundwater use by eliminating waste or implementing water  
13 conservation. (Water Code, Secs. 151.129(a), (d) (part), (f),  
14 151.163(a) (part).)

15 Sec. 8801.164. MONITORING OF ALTERNATIVE WATER  
16 SUPPLY. (a) In this section, "alternative water supply" has the  
17 meaning assigned by Section 8801.163.

18 (b) If a person who is issued an order under Section  
19 8801.163 acquires an alternative water supply and files with the  
20 commission a written request for monitoring the supply, the  
21 commission shall monitor annually the water delivered to the person  
22 from the date of the request to the expiration of the annual permit  
23 to determine the percentage of the water that is surface water and  
24 the percentage that is groundwater.

25 (c) If required under Subsection (b) to monitor water  
26 deliveries, the commission shall monitor the deliveries at random  
27 times at all points of connection between the purchaser's and

1 seller's water systems. Samples taken through monitoring must be  
2 analyzed by water chemists employed by or contracting with the  
3 commission. The water chemist making each analysis shall issue a  
4 certified written analysis of the percentages of surface water and  
5 groundwater included in the sample.

6 (d) Not later than the 15th day after the last day of each  
7 permit year, the commission shall issue a certified written  
8 analysis based on all samples collected that states the annual  
9 average percentages of surface water and groundwater that the  
10 seller provided to the purchaser for the permit year.

11 (e) The commission shall make results of an analysis under  
12 this section available on request to the purchaser, seller, or  
13 board.

14 (f) The commission shall assess reasonable fees to cover the  
15 costs of water sampling and analysis under this section. The  
16 commission shall assess one-half of the fees to the purchaser and  
17 one-half to the seller. (Water Code, Secs. 151.129(b), (c), (d)  
18 (part), (e).)

19 [Sections 8801.165-8801.200 reserved for expansion]

20 SUBCHAPTER E. APPEAL AND ENFORCEMENT PROVISIONS

21 Sec. 8801.201. APPEAL OF SURFACE WATER RATES. (a) A  
22 person who is required to convert to surface water under this  
23 chapter and who purchases that water supply wholesale from a  
24 political subdivision as defined by Section 12.013(b), Water Code,  
25 may appeal to the commission the rates the political subdivision  
26 charges to the person. Chapter 12, Water Code, and rules adopted  
27 under that chapter apply to an appeal under this section.

1 (b) The commission shall hear the appeal not later than the  
2 180th day after the date the appeal is filed.

3 (c) The commission shall issue a final decision on the  
4 appeal not later than the 60th day after the date the hearing ends.  
5 (Water Code, Sec. 151.161.)

6 Sec. 8801.202. APPEAL OF DISTRICT ACTIONS. (a) A person  
7 who is adversely affected by a rule, order, or other official action  
8 of the district under this chapter, including a person residing in  
9 or owning real property in the district whose residence or real  
10 property is subsiding, may appeal the action in a district court in  
11 any county in the district. An appeal under this section must be  
12 filed not later than the 45th day after the date the action is  
13 taken.

14 (b) On a written request from a person residing in or owning  
15 real property in the district, the board shall make written  
16 findings and conclusions regarding a rule, order, or other official  
17 action of the district. The board shall provide certified copies of  
18 those findings and conclusions to the person not later than the 35th  
19 day after the date the board receives the request.

20 (c) An appeal under this section is governed by the  
21 substantial evidence rule as provided by Subchapter G, Chapter  
22 2001, Government Code. (Water Code, Sec. 151.162.)

23 Sec. 8801.203. ALTERNATIVE APPEAL OF CERTAIN DISTRICT  
24 ACTIONS TO COMMISSION. (a) As an alternative to the appeal  
25 procedure provided by Section 8801.202, a person who is granted a  
26 permit authorizing groundwater withdrawal in an amount less than  
27 the person requested may appeal the board's final decision to the



1 commission. The person must file the appeal not later than the 60th  
2 day after the date the board issues its final order.

3 (b) On a written request from a person proposing to appeal  
4 an order under this section, the board shall make written findings  
5 and conclusions regarding the order. The board shall provide  
6 certified copies of the findings and conclusions to the person not  
7 later than the 35th day after the date the board receives the  
8 request.

9 (c) The effect of a board order is stayed until the  
10 commission's decision on an appeal under this section is final.

11 (d) An appeal to the commission under this section is  
12 governed by the substantial evidence rule as provided by Subchapter  
13 G, Chapter 2001, Government Code.

14 (e) The commission may:

15 (1) adopt rules necessary to implement this section;  
16 and

17 (2) adopt and assess reasonable and necessary fees  
18 adequate to recover the commission's costs in administering this  
19 section.

20 (f) An appeal of a final commission decision is to a  
21 district court in Travis County. The appeal shall be under the  
22 substantial evidence rule. A party appealing a decision of the  
23 district court is not required to provide an appeal bond. (Water  
24 Code, Secs. 151.163(a) (part), (b), (c), (d), (e), (f) (part), (g),  
25 (h).)

26 Sec. 8801.204. INJUNCTIVE RELIEF; CIVIL PENALTY. (a) If  
27 it appears that a person has violated or is violating or threatening

1 to violate this chapter or a rule, permit, or other order of the  
2 district issued or adopted under this chapter, the district may  
3 institute an action in a district court in the district for:

4 (1) injunctive relief to restrain the person from  
5 continuing the violation or threat of violation;

6 (2) the assessment and recovery of a civil penalty of  
7 not less than \$50 and not more than \$5,000 for each violation and  
8 for each day of a continuing violation; or

9 (3) both injunctive relief and civil penalties.

10 (b) On application for injunctive relief and a finding that  
11 a person is violating or threatening to violate this chapter or a  
12 rule, permit, or other order of the district under this chapter, the  
13 district court shall grant injunctive relief as the facts warrant.

14 (c) At the request of the board, or the general manager if  
15 authorized by the board, the attorney general shall institute and  
16 conduct an action in the name of the district for injunctive relief  
17 or to recover a civil penalty, or both.

18 (d) The district is not required to post a bond or other  
19 security with the court. (Water Code, Sec. 151.164.)

20 [Chapters 8802-9000 reserved for expansion]

21 SUBTITLE I. WATER CONTROL AND IMPROVEMENT DISTRICTS

22 [Chapters 9001 and 9002 reserved for expansion]

23 CHAPTER 9003. AQUILLA-HACKBERRY CREEK

24 CONSERVATION DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 9003.001. DEFINITIONS

27 Sec. 9003.002. NATURE OF DISTRICT

1   Sec. 9003.003.   LEGISLATIVE DECLARATION AND FINDINGS  
2   Sec. 9003.004.   DISTRICT TERRITORY  
3   Sec. 9003.005.   LIBERAL CONSTRUCTION OF CHAPTER  
4           [Sections 9003.006-9003.050 reserved for expansion]  
5                       SUBCHAPTER B.   ADMINISTRATION  
6   Sec. 9003.051.   BOARD  
7   Sec. 9003.052.   QUALIFICATIONS FOR OFFICE  
8   Sec. 9003.053.   BOND  
9   Sec. 9003.054.   ORDER FOR DIRECTORS ELECTION  
10   Sec. 9003.055.   NOTICE OF ELECTION  
11   Sec. 9003.056.   ELECTION RESULTS  
12   Sec. 9003.057.   PETITION  
13   Sec. 9003.058.   COMPENSATION  
14   Sec. 9003.059.   APPOINTMENT OF SECRETARY AND TREASURER  
15   Sec. 9003.060.   VOTE BY BOARD PRESIDENT  
16   Sec. 9003.061.   EMPLOYEES  
17   Sec. 9003.062.   DISTRICT SEAL  
18           [Sections 9003.063-9003.100 reserved for expansion]  
19                       SUBCHAPTER C.   POWERS AND DUTIES  
20   Sec. 9003.101.   GENERAL POWERS  
21   Sec. 9003.102.   SURVEYS; ENGINEERING INVESTIGATIONS  
22   Sec. 9003.103.   EXPENDITURES  
23   Sec. 9003.104.   LIMITATION ON EMINENT DOMAIN  
24   Sec. 9003.105.   COST OF RELOCATING PROPERTY  
25           [Sections 9003.106-9003.150 reserved for expansion]  
26                       SUBCHAPTER D.   TAXES AND BONDS  
27   Sec. 9003.151.   AUTHORITY TO IMPOSE TAX; TAX ELECTIONS

1 Sec. 9003.152. TAX LIEN

2 Sec. 9003.153. ISSUANCE OF BONDS

3 Sec. 9003.154. TAX STATUS OF BONDS

4 CHAPTER 9003. AQUILLA-HACKBERRY CREEK

5 CONSERVATION DISTRICT

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 9003.001. DEFINITIONS. In this chapter:

8 (1) "Board" means the board of directors of the  
9 district.

10 (2) "District" means the Aquilla-Hackberry Creek  
11 Conservation District. (V.A.C.S. Art. 8280-222, Sec. 1 (part);  
12 New.)

13 Sec. 9003.002. NATURE OF DISTRICT. The district is a  
14 conservation and reclamation district and a political subdivision  
15 created under Section 59, Article XVI, Texas Constitution.  
16 (V.A.C.S. Art. 8280-222, Sec. 1 (part).)

17 Sec. 9003.003. LEGISLATIVE DECLARATION AND  
18 FINDINGS. (a) The legislature declares that:

19 (1) the district is essential to accomplish the  
20 purposes of Section 59, Article XVI, Texas Constitution; and

21 (2) this chapter addresses a subject in which the  
22 state and general public are interested.

23 (b) The legislature finds that:

24 (1) all land included in the district will be  
25 benefited; and

26 (2) the district is created to serve a public use and  
27 benefit. (V.A.C.S. Art. 8280-222, Secs. 3 (part), 10 (part).)

1           Sec. 9003.004. DISTRICT TERRITORY.       The district is  
2 composed of the territory described by Section 3, Chapter 183, Acts  
3 of the 56th Legislature, Regular Session, 1959 (Article 8280-222,  
4 Vernon's Texas Civil Statutes), as that territory may have been  
5 modified under:

6                   (1) Subchapter O, Chapter 51, Water Code, before  
7 September 1, 1995;

8                   (2) Subchapter J, Chapter 49, Water Code; or

9                   (3) other law. (New.)

10          Sec. 9003.005. LIBERAL CONSTRUCTION OF CHAPTER.   This  
11 chapter shall be liberally construed to accomplish its purposes.  
12 (V.A.C.S. Art. 8280-222, Sec. 10 (part).)

13           [Sections 9003.006-9003.050 reserved for expansion]

14                               SUBCHAPTER B. ADMINISTRATION

15          Sec. 9003.051. BOARD.       The board consists of five  
16 directors. (V.A.C.S. Art. 8280-222, Sec. 4(a) (part).)

17          Sec. 9003.052. QUALIFICATIONS FOR OFFICE.   A director of  
18 the district must be:

19                   (1) at least 21 years of age;

20                   (2) a resident of the state; and

21                   (3) the owner of taxable property in the district.

22 (V.A.C.S. Art. 8280-222, Sec. 4(a) (part).)

23          Sec. 9003.053. BOND.   Each director shall make bond in the  
24 amount of \$5,000 for the faithful performance of the director's  
25 duties. (V.A.C.S. Art. 8280-222, Sec. 4(a) (part).)

26          Sec. 9003.054. ORDER FOR DIRECTORS ELECTION.   The election  
27 order for a directors election shall state the time, place, and

1 purpose of the election. (V.A.C.S. Art. 8280-222, Sec. 4(c)  
2 (part).)

3 Sec. 9003.055. NOTICE OF ELECTION. Notice of the directors  
4 election shall be published two times in a newspaper of general  
5 circulation in the district at least 30 days before the election.  
6 (V.A.C.S. Art. 8280-222, Sec. 4(c) (part).)

7 Sec. 9003.056. ELECTION RESULTS. (a) The candidate  
8 receiving the highest number of votes for a position shall be  
9 declared elected as a director of the district.

10 (b) The board shall enter an order declaring the results of  
11 the election. (V.A.C.S. Art. 8280-222, Sec. 4(c) (part).)

12 Sec. 9003.057. PETITION. (a) Any candidate for director  
13 may have the candidate's name printed on the ballot by submitting a  
14 petition signed by at least 25 persons qualified to vote at the  
15 election.

16 (b) The petition must be presented to the secretary of the  
17 board not later than the 21st day before the date of the election.  
18 (V.A.C.S. Art. 8280-222, Sec. 4(d).)

19 Sec. 9003.058. COMPENSATION. (a) Unless the board by  
20 resolution increases the fee to an amount authorized by Section  
21 49.060, Water Code, a director is entitled to receive an amount  
22 determined by the board, not to exceed \$40 a day, for:

23 (1) each day the director attends a meeting of the  
24 board; or

25 (2) each day the director otherwise devotes to the  
26 business of the district.

27 (b) A director is entitled to reimbursement for actual

1 expenses incurred in attending to district business, provided the  
2 service and expense are expressly approved by the board. (V.A.C.S.  
3 Art. 8280-222, Sec. 4(f).)

4 Sec. 9003.059. APPOINTMENT OF SECRETARY AND TREASURER. The  
5 board shall appoint a secretary and a treasurer. The board may  
6 combine the offices of secretary and treasurer. The secretary or  
7 treasurer is not required to be a director. (V.A.C.S.  
8 Art. 8280-222, Sec. 4(g) (part).)

9 Sec. 9003.060. VOTE BY BOARD PRESIDENT. The president has  
10 the same right to vote as any other director. (V.A.C.S.  
11 Art. 8280-222, Sec. 4(g) (part).)

12 Sec. 9003.061. EMPLOYEES. The board may employ a general  
13 manager, attorneys, accountants, engineers, or other technical or  
14 nontechnical employees or assistants and set the amount and manner  
15 of their compensation. (V.A.C.S. Art. 8280-222, Sec. 4(h) (part).)

16 Sec. 9003.062. DISTRICT SEAL. The board may adopt a seal  
17 for the district. (V.A.C.S. Art. 8280-222, Sec. 4(g) (part).)

18 [Sections 9003.063-9003.100 reserved for expansion]

19 SUBCHAPTER C. POWERS AND DUTIES

20 Sec. 9003.101. GENERAL POWERS. (a) The district has all  
21 the rights, powers, and privileges granted water control and  
22 improvement districts by:

23 (1) Chapter 51, Water Code; and  
24 (2) other laws relating to water control and  
25 improvement districts.

26 (b) To the extent a general law described by Subsection (a)  
27 conflicts or is inconsistent with this chapter, this chapter

1 prevails.

2 (c) In addition to powers granted the district under other  
3 law, the district has the power to:

4 (1) control, store, conserve, protect, distribute,  
5 and use the storm and flood waters in the district for all useful  
6 purposes permitted by law;

7 (2) implement flood prevention and control measures in  
8 the district and prevent or aid in preventing damage to district  
9 lands and the soil and fertility of those lands;

10 (3) receive and accept technical and financial  
11 assistance from other districts or state agencies or from the  
12 United States to accomplish district purposes; and

13 (4) purchase, construct, maintain, or in any other  
14 manner acquire, provide, and develop all works, facilities,  
15 improvements, lands, easements, and properties that may be  
16 necessary or useful in fulfilling any purpose of the district.  
17 (V.A.C.S. Art. 8280-222, Secs. 2 (part), 4(a) (part).)

18 Sec. 9003.102. SURVEYS; ENGINEERING INVESTIGATIONS. The  
19 board may conduct or provide for surveys and engineering  
20 investigations for district purposes. (V.A.C.S. Art. 8280-222,  
21 Sec. 4(h) (part).)

22 Sec. 9003.103. EXPENDITURES. The board may provide for the  
23 payment of expenditures considered essential to the proper  
24 maintenance of the district and its business. (V.A.C.S.  
25 Art. 8280-222, Sec. 4(h) (part).)

26 Sec. 9003.104. LIMITATION ON EMINENT DOMAIN. The  
27 district's powers of eminent domain are limited to Hill and



McLennan counties. (V.A.C.S. Art. 8280-222, Sec. 9 (part).)

Sec. 9003.105. COST OF RELOCATING PROPERTY. If the district's exercise of eminent domain or of another power granted by this chapter makes necessary relocating, raising, rerouting, changing the grade of, or altering the construction of any highway, railroad, electric transmission line, telephone or telegraph properties and facilities, or pipeline, all the necessary relocating, raising, rerouting, changing of grade, or alteration of construction shall be accomplished at the sole expense of the district. (V.A.C.S. Art. 8280-222, Sec. 9 (part).)

[Sections 9003.106-9003.150 reserved for expansion]

#### SUBCHAPTER D. TAXES AND BONDS

Sec. 9003.151. AUTHORITY TO IMPOSE TAX; TAX ELECTIONS. (a) If authorized at an election under Section 49.107, Water Code, the district may impose annual ad valorem taxes to provide funds:

(1) necessary to construct or acquire, maintain, and operate works, plants, and facilities considered essential or beneficial to the district and its purposes; or

(2) adequate to defray the cost of the maintenance, operation, and administration of the district.

(b) Elections for the imposition of taxes shall be:

(1) ordered by the board; and

(2) held and conducted in the manner provided by general law relating to elections for the authorization of bonds of water control and improvement districts.

(c) In calling an election for taxes authorized by

1 Subsection (a), the board shall specify the maximum tax rate. A tax  
2 in excess of that amount may not be imposed without submitting the  
3 question of the increased rate to the voters. (V.A.C.S.  
4 Art. 8280-222, Secs. 3 (part), 5 (part).)

5 Sec. 9003.152. TAX LIEN. All taxes imposed by the district  
6 for any purpose constitute a lien on the property taxed. Limitation  
7 does not bar the enforcement or collection of those taxes.  
8 (V.A.C.S. Art. 8280-222, Sec. 5 (part).)

9 Sec. 9003.153. ISSUANCE OF BONDS. (a) To accomplish  
10 district purposes, the board may borrow money and issue bonds in the  
11 manner provided by general law.

12 (b) In the resolution authorizing the bonds, the district  
13 may set aside an amount from the bond proceeds for:

14 (1) the payment of interest expected to accrue during  
15 construction; and

16 (2) a reserve interest and sinking fund.

17 (c) Bond proceeds may be used to pay all expenses  
18 necessarily incurred in accomplishing district purposes, including  
19 the expenses of issuing and selling the bonds.

20 (d) Pending the use of bond proceeds for the purpose for  
21 which the bonds were issued, the board may invest the proceeds in  
22 obligations of or guaranteed by the United States.

23 (e) Bonds payable wholly from the district's net revenue,  
24 from the proceeds of any water contracts, or from any source other  
25 than ad valorem taxes may be issued pursuant to a board resolution  
26 without a hearing or election. The resolution must be authorized by  
27 unanimous vote of all directors. (V.A.C.S. Art. 8280-222, Sec. 6

(part).)

Sec. 9003.154. TAX STATUS OF BONDS. All bonds issued by the district, the transfer of the bonds, and the income from the bonds, including profits from the sale of the bonds, may not be taxed by the state or by any municipal corporation, county, or other political subdivision or taxing district of the state. (V.A.C.S. Art. 8280-222, Sec. 8.)

[Chapters 9004-9300 reserved for expansion]

SUBTITLE J. WATER IMPROVEMENT DISTRICTS

CHAPTER 9301. CAMERON COUNTY WATER IMPROVEMENT DISTRICT

NUMBER TEN

Sec. 9301.001. DEFINITION

Sec. 9301.002. NATURE OF DISTRICT

Sec. 9301.003. PURPOSE

Sec. 9301.004. DISTRICT TERRITORY

Sec. 9301.005. LEGISLATIVE FINDINGS

Sec. 9301.006. GOVERNING LAW; POWERS AND DUTIES

Sec. 9301.007. BOARD OF DIRECTORS

CHAPTER 9301. CAMERON COUNTY WATER IMPROVEMENT DISTRICT

NUMBER TEN

Sec. 9301.001. DEFINITION. In this chapter, "district" means the Cameron County Water Improvement District Number Ten. (New.)

Sec. 9301.002. NATURE OF DISTRICT. The district is a conservation and reclamation district created under Section 59, Article XVI, Texas Constitution. (Acts 41st Leg., 1st C.S., Ch. 110, Sec. 1 (part).)

1           Sec. 9301.003. PURPOSE. The purposes of the district are:

2                   (1) to reclaim and irrigate the district's arid,  
3 semiarid, and other lands needing irrigation;

4                   (2) to reclaim and drain the district's overflowed  
5 lands and other lands needing drainage; and

6                   (3) all other purposes under Section 59, Article XVI,  
7 Texas Constitution. (Acts 41st Leg., 1st C.S., Ch. 110, Sec. 1  
8 (part).)

9           Sec. 9301.004. DISTRICT TERRITORY. The district is  
10 composed of the territory described by Section 1, Chapter 110, Acts  
11 of the 41st Legislature, 1st Called Session, 1929, as that  
12 territory may have been modified under:

13                   (1) Chapter 2, Title 128, Revised Statutes, before  
14 August 30, 1971;

15                   (2) Chapter 55, Water Code, before September 1, 1995;

16                   (3) Subchapter J, Chapter 49, Water Code; or

17                   (4) other law. (New.)

18           Sec. 9301.005. LEGISLATIVE FINDINGS. The legislature  
19 determines that:

20                   (1) all property within the boundaries of the district  
21 is benefited by the creation of the district;

22                   (2) no property not benefited by the creation of the  
23 district is included in the district's boundaries; and

24                   (3) the district is essential to accomplish the  
25 purposes of Section 59, Article XVI, Texas Constitution. (Acts  
26 41st Leg., 1st C.S., Ch. 110, Secs. 1 (part), 11 (part).)

27           Sec. 9301.006. GOVERNING LAW; POWERS AND DUTIES. (a) The

1 district is governed by Chapters 49 and 55, Water Code.

2 (b) The district has the rights, powers, privileges,  
3 duties, and functions of a water improvement district under the  
4 Texas Constitution and general law, including Chapters 49 and 55,  
5 Water Code. (Acts 41st Leg., 1st C.S., Ch. 110, Secs. 1 (part), 2,  
6 11 (part).)

7 Sec. 9301.007. BOARD OF DIRECTORS. (a) The board  
8 consists of five directors.

9 (b) A director must meet the qualifications for a director  
10 under Chapter 55, Water Code. (Acts 41st Leg., 1st C.S., Ch. 110,  
11 Sec. 3 (part).)

12 [Chapters 9302-9500 reserved for expansion]

13 SUBTITLE K. SEAWALL COMMISSIONS

14 CHAPTER 9501. SEAWALL COMMISSION IN MATAGORDA COUNTY

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 9501.001. DEFINITIONS

17 Sec. 9501.002. AUTHORITY TO ESTABLISH COMMISSION

18 Sec. 9501.003. JURISDICTION

19 Sec. 9501.004. LAWSUITS

20 [Sections 9501.005-9501.050 reserved for expansion]

21 SUBCHAPTER B. COMMISSION

22 Sec. 9501.051. COMMISSION; TERMS

23 Sec. 9501.052. APPOINTMENT OF MEMBERS; VACANCY

24 Sec. 9501.053. ELIGIBILITY FOR APPOINTMENT

25 Sec. 9501.054. OATH

26 Sec. 9501.055. BOND

27 Sec. 9501.056. PRESIDING OFFICER

1 Sec. 9501.057. COMPENSATION; CERTIFIED REPORT

2 Sec. 9501.058. REMOVAL FROM OFFICE

3 Sec. 9501.059. TREASURER

4 Sec. 9501.060. AUDITOR

5 Sec. 9501.061. EMPLOYMENT OF ATTORNEY

6 [Sections 9501.062-9501.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 9501.101. COMMISSION POWERS

9 Sec. 9501.102. AUTHORITY TO CONTRACT

10 Sec. 9501.103. PURCHASING AND CONTRACTING

11 Sec. 9501.104. ANNUAL REPORT REQUIRED

12 Sec. 9501.105. CONDEMNATION PROCEEDINGS

13 [Sections 9501.106-9501.150 reserved for expansion]

14 SUBCHAPTER D. FINANCIAL PROVISIONS

15 Sec. 9501.151. AD VALOREM TAX

16 Sec. 9501.152. ASSESSMENT AND COLLECTION OF TAXES

17 Sec. 9501.153. DISBURSEMENT OF FUNDS

18 CHAPTER 9501. SEAWALL COMMISSION IN MATAGORDA COUNTY

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Sec. 9501.001. DEFINITIONS. In this chapter:

21 (1) "Commission" means a seawall commission  
22 established under Section 9501.002.

23 (2) "Commissioners court" means the Commissioners  
24 Court of Matagorda County. (New.)

25 Sec. 9501.002. AUTHORITY TO ESTABLISH COMMISSION. (a) The  
26 commissioners court and the governing body of a municipality in  
27 Matagorda County by resolution may establish a seawall commission

1 to perform the functions described by Section 421.002, Local  
2 Government Code.

3 (b) A resolution authorized by Subsection (a) must specify  
4 the date on which the commission is established. (Loc. Gov. Code,  
5 Secs. 421.021(a), (b).)

6 Sec. 9501.003. JURISDICTION. (a) Except as provided by  
7 Subsection (b), the commission has jurisdiction only in county  
8 commissioners precinct number three in Matagorda County, as that  
9 precinct existed on December 31, 1959.

10 (b) The commission does not have jurisdiction in the  
11 municipality of Bay City. (Loc. Gov. Code, Sec. 421.021(c).)

12 Sec. 9501.004. LAWSUITS. The commission may sue and be sued  
13 in a court in this state. (Loc. Gov. Code, Sec. 421.023(h).)

14 [Sections 9501.005-9501.050 reserved for expansion]

15 SUBCHAPTER B. COMMISSION

16 Sec. 9501.051. COMMISSION; TERMS. The commission is  
17 composed of three members appointed for staggered terms of six  
18 years, with one member's term expiring every two years. (Loc. Gov.  
19 Code, Sec. 421.022(a).)

20 Sec. 9501.052. APPOINTMENT OF MEMBERS; VACANCY. (a) The  
21 members of the commission shall be appointed as follows:

22 (1) one member by the commissioners court;

23 (2) one member by the governing body of the  
24 municipality; and

25 (3) one member by the commissioners court and the  
26 governing body of the municipality, acting jointly.

27 (b) On expiration of a member's term of office, the office

1 shall be filled by the authority that originally appointed the  
2 member.

3 (c) If a vacancy occurs during the term, it shall be filled  
4 for the remainder of the term by the original appointing authority.  
5 (Loc. Gov. Code, Sec. 421.022(b).)

6 Sec. 9501.053. ELIGIBILITY FOR APPOINTMENT. To be eligible  
7 for appointment as a member of the commission, a person must own  
8 real property in and be a qualified voter of the area in which the  
9 commission has jurisdiction. (Loc. Gov. Code, Sec. 421.022(c).)

10 Sec. 9501.054. OATH. (a) Before assuming the duties of  
11 office, each member must:

12 (1) take the constitutional oath of office and swear  
13 in writing before the county judge that the member will faithfully  
14 and impartially discharge the duties of the office; and

15 (2) on the request of the commissioners court or the  
16 governing body of the municipality, give an account of the member's  
17 activities.

18 (b) The clerk of the county court shall file and maintain  
19 the oath of office as part of the records of the commission. (Loc.  
20 Gov. Code, Secs. 421.0221(a), (b).)

21 Sec. 9501.055. BOND. Each member of the commission shall  
22 execute a bond in the amount of \$1,000 that is:

23 (1) payable to the county judge for the benefit of the  
24 commission; and

25 (2) conditioned on the faithful performance of the  
26 member's official duties. (Loc. Gov. Code, Sec. 421.0221(c).)

27 Sec. 9501.056. PRESIDING OFFICER. (a) The members of the



1 commission shall annually elect one member as presiding officer.

2 (b) The presiding officer shall:

3 (1) preside over commission meetings; and

4 (2) sign each contract, warrant, or other instrument  
5 made or issued by the commission. (Loc. Gov. Code, Sec.  
6 421.022(e).)

7 Sec. 9501.057. COMPENSATION; CERTIFIED REPORT. (a) The  
8 commissioners court and the governing body of the municipality by  
9 order or resolution shall set the compensation of members of the  
10 commission. The amount of compensation for each member may not  
11 exceed \$50 for each day that the member attends an official meeting  
12 of the commission. The total amount of compensation for each member  
13 each month may not exceed \$300.

14 (b) Each member shall submit to the county auditor for each  
15 pay period a certified report that describes in detail each time the  
16 member attended an official meeting of the commission. The report  
17 must be submitted on a date prescribed by the commissioners court  
18 and the governing body of the municipality. (Loc. Gov. Code, Secs.  
19 421.0221(d), (e).)

20 Sec. 9501.058. REMOVAL FROM OFFICE. The commissioners  
21 court and the governing body of the municipality, by a majority vote  
22 in a joint session, may remove a member of the commission from  
23 office only for malfeasance. (Loc. Gov. Code, Sec. 421.022(d).)

24 Sec. 9501.059. TREASURER. The county treasurer of  
25 Matagorda County shall serve as treasurer of the commission. (Loc.  
26 Gov. Code, Sec. 421.022(f).)

27 Sec. 9501.060. AUDITOR. The county auditor for Matagorda

County is the auditor for the commission. (Loc. Gov. Code, Sec. 421.024(b).)

Sec. 9501.061. EMPLOYMENT OF ATTORNEY. The commission may employ an attorney for legal services required by the commission. (Loc. Gov. Code, Sec. 421.023(j).)

[Sections 9501.062-9501.100 reserved for expansion]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 9501.101. COMMISSION POWERS. The commission may exercise the authority granted to a county or municipality under Section 421.002, 421.003, 421.004, or 421.005 or Section 421.011(a) or (b), Local Government Code. (Loc. Gov. Code, Sec. 421.023(g).)

Sec. 9501.102. AUTHORITY TO CONTRACT. The commission may enter into a contract relating to the performance of any function described by Section 421.002, Local Government Code. (Loc. Gov. Code, Sec. 421.023(e).)

Sec. 9501.103. PURCHASING AND CONTRACTING. The commission, in the performance of functions under this chapter, has the same powers granted to a county under Subchapter C, Chapter 262, and Chapter 271, Local Government Code, and is subject to the same requirements imposed on a county under those provisions. (Loc. Gov. Code, Sec. 421.025.)

Sec. 9501.104. ANNUAL REPORT REQUIRED. The commission shall annually submit a report to the commissioners court and the governing body of the municipality. The report must:

(1) describe the commission's financial condition and operations during the preceding year;

(2) propose a budget for the following year; and

1           (3) describe generally the work proposed for the  
2 following year. (Loc. Gov. Code, Sec. 421.023(d).)

3           Sec. 9501.105. CONDEMNATION PROCEEDINGS.           (a)       A  
4 condemnation proceeding brought by the commission must be brought  
5 in the name of the commission and under the direction of the  
6 commission.

7           (b) An appeal from a finding and assessment of damages as  
8 provided by Chapter 21, Property Code, does not suspend work of the  
9 commission. (Loc. Gov. Code, Sec. 421.023(i).)

10           [Sections 9501.106-9501.150 reserved for expansion]

11                       SUBCHAPTER D. FINANCIAL PROVISIONS

12           Sec. 9501.151. AD VALOREM TAX. (a) The commission may  
13 impose an ad valorem tax on real property within the commission's  
14 jurisdiction.

15           (b) The commission shall determine the tax rate, which may  
16 not exceed 10 cents for each \$100 valuation of property.

17           (c) Revenue from the tax may be used only to pay for  
18 functions of the commission. (Loc. Gov. Code, Secs. 421.023(a),  
19 (b), (c).)

20           Sec. 9501.152. ASSESSMENT AND COLLECTION OF TAXES. The  
21 county tax assessor and collector shall assess and collect taxes  
22 imposed by the commission in the manner provided by law for the  
23 assessment and collection of county taxes. (Loc. Gov. Code, Sec.  
24 421.024(a).)

25           Sec. 9501.153. DISBURSEMENT OF FUNDS. The commission may  
26 disburse funds set aside by the commissioners court and the  
27 governing body of the municipality for the performance of the

commission's functions. (Loc. Gov. Code, Sec. 421.023(f).)

[Chapters 9502-11000 reserved for expansion]

SUBTITLE X. DISTRICTS WITH COMBINED POWERS

CHAPTER 11001. ROAD DISTRICT AUTHORITY OF BASTROP COUNTY WATER

CONTROL AND IMPROVEMENT DISTRICT NO. 2

Sec. 11001.001. DEFINITIONS

Sec. 11001.002. ROAD DISTRICT POWERS AND DUTIES

Sec. 11001.003. MASTER PLAN APPROVAL AND ADOPTION

Sec. 11001.004. MASTER PLAN CONTENT

Sec. 11001.005. MASTER PLAN IMPLEMENTATION

Sec. 11001.006. MASTER PLAN ANNUAL HEARING

Sec. 11001.007. MONTHLY CHARGES

Sec. 11001.008. CITY OR COUNTY APPROVAL OF PLANS AND

SPECIFICATIONS

Sec. 11001.009. INSPECTIONS, SAMPLING, AND TESTING

Sec. 11001.010. CONVEYANCE OF IMPROVEMENTS

Sec. 11001.011. ADDITIONAL POWERS

Sec. 11001.012. REPORT TO CERTAIN LEGISLATORS

Sec. 11001.013. TERMINATION OF ROAD DISTRICT AUTHORITY;

DISTRIBUTION OF DISTRICT MONEY

CHAPTER 11001. ROAD DISTRICT AUTHORITY OF BASTROP COUNTY

WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

Sec. 11001.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "District" means the Bastrop County Water Control and Improvement District No. 2. (Acts 75th Leg., R.S., Ch. 47,

1 Secs. 1(1), (4).)

2 Sec. 11001.002. ROAD DISTRICT POWERS AND DUTIES. (a) The  
3 district has all of the rights, powers, privileges, functions,  
4 responsibilities, and duties that general law grants a road  
5 district created under Section 52, Article III, Texas Constitution.

6 (b) The board, within the district's boundaries, may  
7 exercise the powers that the commissioners court of a county may  
8 exercise under Chapter 257, Transportation Code, to the extent that  
9 chapter can be applied.

10 (c) To the extent this chapter conflicts with general law,  
11 this chapter controls. (Acts 75th Leg., R.S., Ch. 47, Sec. 2.)

12 Sec. 11001.003. MASTER PLAN APPROVAL AND  
13 ADOPTION. (a) The district shall adopt a master plan for all road  
14 improvements.

15 (b) The district shall submit the master plan to the  
16 governing bodies of the City of Bastrop and Bastrop County before  
17 the plan is adopted.

18 (c) The district may not adopt the master plan until the  
19 plan is approved by the governing body of:

20 (1) the City of Bastrop, for improvements to be made in  
21 the city's jurisdiction; and

22 (2) Bastrop County, for improvements to be made in the  
23 county's jurisdiction.

24 (d) Not later than the 61st day after the date the  
25 applicable governing body receives the master plan, the governing  
26 body shall review the plan and present the district with any  
27 proposed revisions necessary to obtain the governing body's

1 approval of the plan.

2 (e) The district shall review proposed plan revisions at a  
3 public hearing held for that purpose.

4 (f) The district must adopt the master plan at a public  
5 hearing. (Acts 75th Leg., R.S., Ch. 47, Secs. 3(a) (part), 4.)

6 Sec. 11001.004. MASTER PLAN CONTENT. The master plan must  
7 include:

8 (1) a map of the district boundaries that shows:

9 (A) the proposed improvements; and

10 (B) how the proposed improvements would connect  
11 to other entities' road and drainage systems; and

12 (2) a written plan that contains:

13 (A) general objectives for the proposed  
14 improvements;

15 (B) the sequence of the improvements;

16 (C) the estimated date of completion of each  
17 phase of the proposed improvements;

18 (D) the estimated cost of each phase of the  
19 proposed improvements;

20 (E) an analysis of the district's projected  
21 revenues compared with the projected costs; and

22 (F) a proposed timetable for completion of the  
23 proposed improvements. (Acts 75th Leg., R.S., Ch. 47, Sec. 3(b).)

24 Sec. 11001.005. MASTER PLAN IMPLEMENTATION. The district  
25 shall make all road improvements in accordance with the master  
26 plan. (Acts 75th Leg., R.S., Ch. 47, Sec. 3(a) (part).)

27 Sec. 11001.006. MASTER PLAN ANNUAL HEARING. The district

1 shall conduct an annual public hearing on revisions to the master  
2 plan to inform the public and provide opportunity for public  
3 comment. (Acts 75th Leg., R.S., Ch. 47, Sec. 5.)

4 Sec. 11001.007. MONTHLY CHARGES. (a) The board may  
5 impose a monthly charge of five dollars for each developed or  
6 undeveloped lot, tract, or reserve in the district.

7 (b) Money received from the monthly charge must be used for  
8 constructing, maintaining, or repairing public streets or roadways  
9 in the district.

10 (c) Of the money received under Subsection (a):

11 (1) not more than 10 percent may be used for  
12 administrative purposes; and

13 (2) not more than 15 percent may be used for road  
14 maintenance. (Acts 75th Leg., R.S., Ch. 47, Sec. 6.)

15 Sec. 11001.008. CITY OR COUNTY APPROVAL OF PLANS AND  
16 SPECIFICATIONS. (a) The district shall submit for the approval  
17 of the governing body of the City of Bastrop or Bastrop County, as  
18 appropriate, all road plans and specifications before the district  
19 begins construction.

20 (b) The plans and specifications are considered approved if  
21 the governing body to which they are presented does not by  
22 resolution disapprove of them before the 22nd day after the date on  
23 which they are presented.

24 (c) In reviewing plans or specifications for construction  
25 in a subdivision, the City of Bastrop or Bastrop County shall  
26 generally apply, as a minimum standard, the standard the city or  
27 county applied to review similar plans or specifications at the

1 time the subdivision was created. If the plans or specifications  
2 exceed that minimum standard, the standard for approval shall be  
3 based on good engineering practices related to subjects such as  
4 vehicle and pedestrian safety, soil and terrain variables,  
5 watershed impacts, projected traffic use, and future maintenance  
6 requirements. (Acts 75th Leg., R.S., Ch. 47, Sec. 8.)

7 Sec. 11001.009. INSPECTIONS, SAMPLING, AND TESTING.

8 (a) The City of Bastrop or Bastrop County may:

9 (1) perform reasonable inspections, gather and test  
10 samples, and perform other testing; or

11 (2) require the district or the contractor for the  
12 work to perform reasonable inspections, gather and test samples,  
13 and perform other testing.

14 (b) The district may include the cost of inspecting,  
15 sampling, and testing in the bid specifications. If the district  
16 includes the costs in the bid specifications, the costs are  
17 allowable charges for spending road money. (Acts 75th Leg., R.S.,  
18 Ch. 47, Sec. 9.)

19 Sec. 11001.010. CONVEYANCE OF IMPROVEMENTS. (a) The  
20 district shall convey the completed improvements to the City of  
21 Bastrop or Bastrop County as appropriate.

22 (b) If the improvements comply with the minimum standards  
23 the city or county, as applicable, prescribes for improvements in  
24 its jurisdiction, the city or county shall accept the improvements.

25 (c) If the jurisdictions of the city and the county overlap,  
26 the more stringent standards apply. (Acts 75th Leg., R.S., Ch. 47,  
27 Sec. 10.)



1           Sec. 11001.011.   ADDITIONAL POWERS.   The district may:

- 2                   (1)   select professional and consultant personnel for  
3   engineering, legal, and other necessary support services;  
4                   (2)   select    and    approve   work   contractors   and  
5   subcontractors;  
6                   (3)   supervise road and drainage work in the district;  
7                   (4)   contract to carry out the improvements provided by  
8   the master plan, including contracting with a professional or  
9   contractor;  
10                  (5)   supervise the cost-effective use of district money  
11   allocated for permanent improvements; and  
12                  (6)   approve expenditures for necessary maintenance.

13   (Acts 75th Leg., R.S., Ch. 47, Sec. 11.)

14           Sec. 11001.012.   REPORT TO CERTAIN LEGISLATORS.   The  
15   district annually shall present a report concerning road district  
16   activities to each state representative and each state senator who  
17   represents the area in the district's jurisdiction.   The report  
18   must include:

- 19                  (1)   information regarding the progress of work during  
20   the preceding year;  
21                  (2)   the amount of money spent during the preceding  
22   year;  
23                  (3)   any revisions to the master plan; and  
24                  (4)   a complete financial statement that lists all  
25   funds of the district and fund balances, expenditures, and interest  
26   earnings.   (Acts 75th Leg., R.S., Ch. 47, Sec. 12.)

27           Sec. 11001.013.   TERMINATION OF ROAD DISTRICT AUTHORITY;

DISTRIBUTION OF DISTRICT MONEY. (a) The road district authority under this chapter terminates when:

(1) all road improvements under the master plan are completed; and

(2) the City of Bastrop or Bastrop County, as appropriate, has accepted all road improvements in the district.

(b) On termination of the district's road district authority, the district shall give any money related to the district's road district authority that remains in the district's possession or control to the City of Bastrop or Bastrop County, as appropriate, for road maintenance in the district. The district shall send the money to the City of Bastrop or Bastrop County in the proportion that the number of miles of road improvements by the district accepted by the city or county bears to the total number of miles of road improvements by the district accepted by both the city and the county. (Acts 75th Leg., R.S., Ch. 47, Sec. 13.)

SECTION 2. CONFORMING AMENDMENT. Section 1, Chapter 120, Acts of the 60th Legislature, Regular Session, 1967, is amended to read as follows:

Sec. 1. The ~~[Pursuant to authority granted by the provisions of Section 9 of Article IX of the Constitution of the State of Texas,~~ Angleton-Danbury Hospital District of Brazoria County, Texas, ~~[is hereby authorized to be created in Brazoria County, Texas, and as created]~~ shall have the following boundaries:

BEGINNING at the southeasterly corner of the I. F. W. Curd Survey, Abstract 170, on the westerly shore line of West Bay at mean low tide;

1           THENCE southwesterly along the most southerly boundary line  
2 of said Curd Survey to its intersection with the northerly shore  
3 line of Bastrop Bay;

4           THENCE in a westerly direction along the shore lines of  
5 Bastrop Bay, Cox's Lake and Bastrop Bayou and along the southerly  
6 boundary line of said I. F. W. Curd Survey, the G. B. Brownrigg  
7 Survey, Abstract 150, the J. J. Calvington Survey, Abstract 427,  
8 the Juan Armendaris Survey, Abstract 405, and the F. Spann Survey,  
9 Abstract 373, to a point where an extension of the northwesterly  
10 boundary line of the B. F. Holt Survey, Abstract 592, would  
11 intersect the north bank of said bayou;

12           THENCE across Bastrop Bayou to the most northwesterly corner  
13 of said B. F. Holt Survey;

14           THENCE in a southerly direction along the western boundary  
15 line of said Holt Survey, the F. Pawpa Survey, Abstract 443, and the  
16 E. J. DeBard Survey, Abstract 673, to Big Slough;

17           THENCE up Big Slough with its meanders to a point in the west  
18 boundary line of the Austin & Williams Survey, Abstract 145;

19           THENCE west to a point in the southeast right-of-way line of  
20 the H. & B. V. Railway right-of-way in the J. E. Groce 5-League  
21 Grant, Abstract 66;

22           THENCE in a northeasterly direction along the southeast line  
23 of said railway right-of-way to Bastrop Bayou and continuing on the  
24 same course across said bayou to its northeasterly shore line at  
25 mean low tide;

26           THENCE northwesterly across said right-of-way to its  
27 northwesterly line on the shore of said bayou;

1           THENCE southwesterly crossing said bayou and following the  
2 northwest right-of-way line of the said railway to the center of  
3 Oyster Creek;

4           THENCE up the center of Oyster Creek to a point which is due  
5 south of the southwest corner of the S. F. Austin Survey, Abstract  
6 22;

7           THENCE in a northerly direction to the Southwestern corner of  
8 S. F. Austin Survey, Abstract 22, and continuing in a northerly  
9 direction with the west boundary line of said Austin Survey and the  
10 east boundary of the J. E. Groce 5-League Grant to its intersection  
11 with the center of Bastrop Bayou;

12           THENCE up the center of Bastrop Bayou with its meanders  
13 crossing State Hwy. No. 288 and the H. and B. V. Railroad to a point  
14 for corner being an extension of the division line of J. T. Suggs  
15 398.14 acre tract and W. T. Galloway 280.66 acre tract;

16           THENCE West passing a concrete monument on the bank of  
17 Bastrop Bayou to a concrete monument on the Northwest corner of said  
18 398.14 acre tract and the Southwest corner of said 280.66 acre tract  
19 and in the East line of C. M. and Elane S. Frost 100 acre tract;

20           THENCE North along West line of W. T. Galloway's 280.66 acre  
21 tract and the East line of C. M. and Elane S. Frost 100 acre tract,  
22 the Marmion Estate 100 acre tract and William Franklin and DeWitt C.  
23 Baker, Jr., 57.4 acre tract to the center of Bastrop Bayou;

24           THENCE up the center line of Bastrop Bayou to a point in the  
25 East line of J. T. Suggs 450 acre tract;

26           THENCE North along the East line of J. T. Suggs 450 acre tract  
27 and the West line of 128.55 acre tract to the Southeast corner of H.

1 E. Merchant 244 acre tract;

2       THENCE West along the South line of H. E. Merchant 244 acre  
3 tract and The Texas Company's 300 acre tract to the Southwest corner  
4 of said 300 acre Texas Company tract and in the East line of The  
5 Retrieve Prison Farm 2405.27 acre tract;

6       THENCE North along the East line of said Prison Farm 2405.27  
7 acre tract and the West line of said 300 acre Texas Company tract to  
8 the N. W. corner of the 300 acre tract of the North line of the J. E.  
9 Groce 5-League Grant;

10       THENCE West with the North line of said J. E. Groce 5-League  
11 Grant to its Northwest corner and continuing West with the North  
12 line of the S. F. Austin 5-League Grant, Abstract No. 19 to its  
13 point of intersection with the center of Oyster Creek;

14       THENCE downstream with the center of Oyster Creek and its  
15 meanders to the point where the center of Oyster Creek crosses the  
16 common boundary line of the S. F. Austin and J. E. Groce Surveys for  
17 the fourth time, in the Retrieve State Prison Farm;

18       THENCE in a Northwesterly direction in a straight line to the  
19 Northeast corner of the Dow Chemical Company's 3,586.32 acre tract  
20 in said S. F. Austin 5-League Grant which is also an ell corner of  
21 said Retrieve State Prison Farm;

22       THENCE South with the common line between the Prison Farm and  
23 the Dow 3,586.32 acre tract to a point in such line which is due East  
24 from a point in the center of the Brazoria Reservoir Levee which  
25 said last named point is 200 feet North of the point of intersection  
26 of the center of said levee with the center line of Buffalo Camp  
27 Bayou;

1           THENCE from said point in the Dow & Prison Farm common  
2 boundary, due West to the point in the center of the Brazoria  
3 Reservoir Levee;

4           THENCE Southerly with the center line of said Levee to the  
5 Center of Buffalo Camp Bayou, approximately 200 feet;

6           THENCE up the center of Buffalo Camp Bayou to a point due east  
7 of the south line of the John P. Cole Survey, Abstract 55;

8           THENCE west to the southeast corner of said John P. Cole  
9 Survey;

10          THENCE west along the south line of said John P. Cole Survey  
11 to the center of Middle Bayou;

12          THENCE up the center of Middle Bayou with its meanders to a  
13 point where the center line of said Bayou intersects the south line  
14 of the Samuel Carter League, Abstract 53;

15          THENCE in an easterly direction along the south boundary line  
16 of said Carter League to its southeast corner;

17          THENCE in a northerly direction along its eastern boundary  
18 line to its northeast corner;

19          THENCE in a westerly direction along its northern boundary  
20 line to the southeast corner of the J. B. Bailey League, Abstract  
21 38;

22          THENCE in a Northerly direction along the eastern boundary  
23 line of said J. B. Bailey League and continuing past its northeast  
24 corner on the same course to the middle line of the William Roberts  
25 League, Abstract 124;

26          THENCE west along the north line of the lower half of the  
27 William Roberts League and continuing on the same course to the

1 center of the Brazos River;

2       THENCE up the center of the Brazos River with its meanders to  
3 a point in the said river due west of the northwest corner of the  
4 Francis Bingham League; Abstract 43;

5       THENCE east to the northwest corner of said Bingham League  
6 and continuing along the northern boundary line of said league to  
7 its northeast corner;

8       THENCE in a southerly direction along the eastern boundary  
9 line of said Bingham League and the A. McFarland League, Abstract  
10 86, to its southeast corner;

11       THENCE southerly on the same course across the David Tally  
12 League, Abstract 130, and the Chester S. Gorbett League, Abstract  
13 64, to the northwest corner of the Lavaca Navigation Company  
14 Survey, Abstract 327;

15       THENCE in a southerly direction along the western boundary  
16 line of said Lavaca Navigation Company Survey, to its southwest  
17 corner;

18       THENCE in an easterly direction along the southern boundary  
19 line of said Lavaca Navigation Company Surveys, Abstracts 327 and  
20 536, to the most southeasterly corner thereof, same being the  
21 northeast corner of H. T. & B. Survey, Abstract 535;

22       THENCE in a southerly direction along the western boundary  
23 line of H. T. & B. Survey, Abstract 236, to the southwest corner of  
24 H. T. & B. Survey, Abstract 236;

25       THENCE in an easterly direction along the southern boundary  
26 lines of H. T. & B. Surveys, Abstracts 236, 555, 253, 556 and 254,  
27 and continuing on the same course to the southerwestern boundary

1 line of the Francis Moore League, Abstract 100;

2       THENCE in a southeasterly direction along the southwestern  
3 boundary line of said Francis Moore League to its most southwestern  
4 corner in the northwesterly boundary line of the S. T. Angier  
5 League, Abstract 7;

6       THENCE in a southwesterly direction along the northwestern  
7 boundary line of said Angier League to its most northwesterly  
8 corner;

9       THENCE in a southeasterly direction along its southwesterly  
10 boundary line to the southwest corner thereof;

11       THENCE in an easterly direction along its southeastern  
12 boundary line to the northwestern corner of H. T. & B. Survey,  
13 Abstract 277;

14       THENCE in a southeasterly direction along the southwestern  
15 boundary line of said H. T. & B. Survey 277 to its most  
16 southwesterly corner and continuing in the same direction along the  
17 southwestern boundary line of H. T. & B. Survey, Abstract 519, to  
18 the most northwesterly corner of H. T. & B. Survey, Abstract 520;

19       THENCE in a northeasterly direction along the northwesterly  
20 boundary line of H. T. & B. Survey, Abstract 520, H. T. & B. Survey,  
21 Abstract 260, and continuing on the same course across the Day Land  
22 & Cattle Company Survey, Abstract 603, to a point for corner in its  
23 northeasterly boundary line;

24       THENCE in a southeasterly direction along its northeasterly  
25 boundary line to its most southeasterly corner and continuing on  
26 the same course along the boundary line of the Day Land & Cattle  
27 Company Survey, Abstract 601, to the north boundary line of the L.



1 F. Tomlinson Survey, Abstract 374;

2       THENCE in a southwesterly direction along said boundary line  
3 to the northwest corner of the Arrington 75 acre tract;

4       THENCE in a southeasterly direction along the southwestern  
5 boundary line of said Arrington tract to its most southwestern  
6 corner;

7       THENCE in a southwesterly direction along the north boundary  
8 line of Lot 2 in Block 4 in said Tomlinson Survey to the most  
9 northwesterly corner of said lot;

10       THENCE in a southeasterly direction along the southwestern  
11 boundary line of said Lot 2 to its most southwesterly corner;

12       THENCE in a southwesterly direction along the southern  
13 boundary line of Lot 3 in Block 4 of a subdivision in said Tomlinson  
14 Survey to the northeast corner of a 291 acre tract known as the  
15 Kempner and Davis Tract in Block 5;

16       THENCE in a southeasterly direction along the eastern  
17 boundary line of said Kempner and Davis tract to its most  
18 southeastern corner and the north line of the L. A. Morton League,  
19 Abstract 101;

20       THENCE in a southeasterly direction across said Morton League  
21 to the Northwest corner of Lot 1 of the Coast Development Company  
22 Subdivision in the H. Austin League, Abstract 11;

23       THENCE in a southeasterly direction along the western  
24 boundary line of Lots 1, 2, 3, 4, 27, 28, 29 and 30 of said Coast  
25 Development Company Subdivision to a point for corner;

26       THENCE in an easterly direction along the southeastern  
27 boundary line of Lots 30 and 31 to the northwest corner of the G. J.

Swickheimer 160 acre tract;

THENCE in a southeasterly direction along the southwestern boundary line of said G. J. Swickheimer tract to its most southwesterly corner;

THENCE along the southeastern boundary line of said tract to its most southeasterly corner;

THENCE in a northeasterly direction to the southwestern corner of Lot 9 of the J. H. Everett Subdivision in said Austin League;

THENCE in a northeasterly direction along the southeastern boundary line of said Everett Subdivision and the Coast Development Company Subdivision to the west bank of Chocolate Bayou;

THENCE in a generally southwesterly direction with the meanders of said west bank of Chocolate Bayou and with the westerly shore line of West Bay at mean low tide to the southeasterly corner of the I. F. W. Curd Survey, Abstract 170, the PLACE OF BEGINNING.

~~[The Legislature hereby finds that the foregoing boundaries and field notes of said District form a closure, and, if any mistake is made in copying the field notes in the legislative process, such mistake shall not affect the organization, existence or validity of the District or its right to issue bonds or refunding bonds, and the right to assess, levy and collect taxes, or in any other manner affect the legality or operation of the District.]~~

SECTION 3. CONFORMING AMENDMENT. Section 1, Chapter 411, Acts of the 58th Legislature, Regular Session, 1963, is amended to read as follows:

Sec. 1. The boundaries ~~[Pursuant to the provisions of~~

1 ~~Section 9 of Article IX of the Constitution of the State of Texas,~~  
2 ~~this Act shall be operative so as to authorize the creation,~~  
3 ~~establishment, maintenance, and operation]~~ of the Booker Hospital  
4 District[, ~~the boundaries of which]~~ are described as follows, to  
5 wit:

6 BEGINNING at the Northwest corner of Lipscomb County where  
7 county boundary lines between Ochiltree County and Lipscomb County  
8 intersect the state boundary line between Texas and Oklahoma, and  
9 running due south along said county line to the Southwest corner of  
10 Lipscomb County;

11 THENCE East along the county boundary line between Lipscomb  
12 County and Hemphill County to its intersection with the eastern  
13 boundary line of Section 66 of Block 43 of the Houston and Texas  
14 Central R. R. Survey;

15 THENCE Northerly along the eastern boundaries of Sections 66,  
16 111, 154, 199, 242, 287, 330, 375, 418, 463, 506, 551, 594, 639,  
17 682, 727, 770, 815, 858, 903, 946, 991, 1034, 1079, 1122, and 1167  
18 of Block 43 of the Houston and Texas Central R. R. Survey to the  
19 point of intersection of the eastern boundary of said Section 1167  
20 with the south boundary of Section 155 of Block 10 of the Southern  
21 Pacific R. R. Survey;

22 THENCE West along the South boundary of Section 155 of Block  
23 10 of the Southern Pacific R. R. Survey to its point of intersection  
24 with the east boundary of Section 154 of said survey;

25 THENCE North along the east boundary of said Section 154 and  
26 continuing north along the east boundaries of Sections 111, 66 and  
27 23 of Block 10 of the Houston Tap and Brazoria R. R. Survey to the

1 point of the intersection of that line with the Southern boundary of  
2 the W. P. Wiser Survey.

3 THENCE continuing north along the projection of the east  
4 boundary line of Section 23 of Block 10 of the Houston Tap and  
5 Brazoria R. R. Survey to the state boundary line.

6 THENCE West along the state boundary line between Texas and  
7 Oklahoma to the point of beginning.

8 SECTION 4. CONFORMING AMENDMENT. Section 3, Chapter 183,  
9 Acts of the 56th Legislature, Regular Session, 1959 (Article  
10 8280-222, Vernon's Texas Civil Statutes), is amended to read as  
11 follows:

12 Sec. 3. TERRITORY COMPRISING THE DISTRICT. The  
13 Aquilla-Hackberry Creek Conservation District [~~hereby created and~~  
14 ~~established~~], situated wholly within Hill and McLennan Counties,  
15 shall comprise all territory located within the boundaries  
16 described as follows, except lands situated within the limits of  
17 incorporated cities, or towns, of Abbott, Hillsboro, Itasca, and  
18 West, Texas:

19 BEGINNING at the point of intersection of the Hill-Johnson  
20 County line and the East line of 113.2 acre tract in the Mary  
21 Carothers Survey, A-114, Hill County, Texas, owned by John D.  
22 Harper et al.

23 THENCE S. 30 E. with said Harpers east line 2500 feet, to the  
24 South line of a County road;

25 THENCE N. 60 E. with said road line 3125 feet to point in East  
26 line of said Carothers Survey;

27 THENCE S. 30 E. with said survey line 4250 feet to its S.E.

1 corner;

2           THENCE S. 60 W. with South line of said survey 500 feet to  
3 N.E. corner of Lewis A. Reynold Survey, A-752;

4           THENCE S. 30 E. at 11,750 feet pass the S.E. corner of said  
5 Reynolds Survey, at 17,625 feet pass the S.W. corner of John Clary  
6 Survey, A-118, in all 22,700 feet to S.W. corner of Smith Newton  
7 Survey, A-690, which point is in the North line of a public road;

8           THENCE N. 60 E. with South line of said Newton Survey 10,750  
9 feet to its S.E. corner of said corner being also in West line of  
10 McKinney & Williams Survey, A-665;

11           THENCE S. 30 E. with said west line 2750 feet to S.W. corner  
12 of said survey;

13           THENCE N. 60 E. 1150 feet to a point in said south survey  
14 line, said point also being the N.E. corner of Sterling R. Barnes  
15 Survey A-74;

16           THENCE S. 30 E. 2650 feet to a point in East line of said  
17 Barnes Survey, said point being the S.W. corner of a 63.65 acre  
18 tract in M. L. Barnes Survey, A-73, once owned by C. B. Hill;

19           THENCE N. 60 E. 2800 feet with the south lines of Hills 63.65  
20 acre tract and 58.8 acre tract to S.E. corner of the latter in the  
21 East line of said M. L. Barnes Survey;

22           THENCE S. 30 E. 500 feet to the N.W. corner of Don Herlin's  
23 100 acre tract in the Henry Sikes Survey, A-817;

24           THENCE N. 60 E. with said Herlins North line 3925 feet to his  
25 N.E. corner in the East line of said survey;

26           THENCE S. 30 E. with East line of said Survey 3300 feet to its  
27 S.E. corner, being also the N.W. corner of J. P. Rushing Survey,

1 A-785, continuing same course with west line of last named Survey  
2 5280 feet or 8580 feet in all to its S.W. corner in North line of a  
3 Public road;

4 THENCE N. 60 E. with said North line of road 10,050 feet to  
5 N.E. corner of J. A. England's 109 acre tract in J. P. Rushing  
6 Survey, A-786, said corner being in North line of said survey;

7 THENCE S. 30 E. with England's east line 2950 feet to his S.E.  
8 corner in South line of said survey, being also the most easterly  
9 N.E. corner of B. B. B. & C. R. R. Co. Survey, A-105;

10 THENCE S. 30 E. with East line of said Survey 3050 feet to an  
11 outside ell corner of same;

12 THENCE S. 60 W. 850 feet to an inside ell corner of said  
13 survey;

14 THENCE S. 30 E. at 690 feet pass the most southerly S.E.  
15 corner of said survey, continuing same course in all 1775 feet to an  
16 inside ell corner of Geo. McDaniel Survey, A-633;

17 THENCE S. 60 W. 260 feet to the most westerly N.W. corner of  
18 said survey;

19 THENCE S. 30 E. 1650 feet to S.W. corner of survey;

20 THENCE N. 60 E. 600 feet to point in South line of said survey  
21 and also the south line of 110.5 acre tract owned by Mrs. Estelle  
22 Adair, said point being the N.W. corner of Wm. McDonald Survey,  
23 A-568;

24 THENCE S. 30 E. with West line of said survey and East line of  
25 public road; at 1100 feet pass the most westerly S.W. corner of said  
26 survey, at 1650 feet pass an inside ell corner of Sarah A. Cook  
27 Survey, A-1043, and in all 4100 feet to an outside ell corner of

1 said survey;

2           THENCE N. 60 E. 1600 feet to an inside ell corner of said  
3 survey, being also the N.W. corner of Chas. M. Smithdeal's 109 acre  
4 tract in said survey;

5           THENCE S. 30 E. with Smithdeal's west line 4100 feet to a  
6 point in the North line of W. O. Merriweather Survey, A-564;

7           THENCE N. 80 E. with said North line 1,000 feet to N.E. corner  
8 of survey;

9           THENCE S. 10 E. with east line of said survey 10,900 feet to  
10 its S.E. corner;

11           THENCE S. 80 W. 2,300 feet with south line of said survey and  
12 North line of Wm. Armstrong Survey, A-23, to N.W. corner of 105 acre  
13 tract in latter named survey owned by W. B. Overman, et al;

14           THENCE S. 30 E. with the west line of the said Overman tract  
15 and the Mrs. Dora Kyle Estate 90.45 acre tract 3,450 feet to the  
16 S.W. corner of the latter in the South line of said survey;

17           THENCE N. 60 E. with said South line 400 feet to a point  
18 thereon which is the N.W. corner of the James J. Lee Survey, A-543;

19           THENCE S. 30 E. with the Survey's west line and the East line  
20 of a public road at 4,700 feet pass the survey's S.W. corner at  
21 5,650 feet pass the North line of Navarro County School Land Survey,  
22 A-675, and in all 5,900 feet to the North line of the Old Dallas  
23 Highway;

24           THENCE S. 60 W. with said North line of Highway 2100 feet to  
25 point in survey's west line;

26           THENCE S. 30 E. with said west line 3600 feet to a point  
27 thereon, which is also the N.E. corner of Polly Meeks Survey, A-639;

1           THENCE S. 60 W. with North line of said survey and North line  
2 of public road 5,280 feet to point in same;

3           THENCE with west line of public road S. 30 E. 3,670 feet; S.  
4 15 W. 280 feet and S. 30 E. 4,500 feet to the most southerly North  
5 line of A. Morrow Survey, A-580;

6           THENCE S. 60 W. 700 feet with said line to the most westerly  
7 N.W. corner of said survey;

8           THENCE S. 30 E. 1580 feet with West line of said Morrow Survey  
9 and West line of W. W. Hobson Survey, A-429, to a point in the North  
10 line of State Highway No. 22;

11          THENCE S. 60 W. with said North line 3,250 feet to point in  
12 East line of John A. Harlan Survey, A-397;

13          THENCE S. 30 E. with said survey, East line and the East line  
14 of a public road 27,100 feet to the S.E. corner of George Wilkins  
15 Survey, A-965;

16          THENCE With South line of said survey S. 60 W. 5,575 feet to  
17 S.W. corner of survey;

18          THENCE with south line of Ephraim Goss Survey, A-346, S. 60 W.  
19 1,200 feet; N. 30 W. 350 feet; and S. 60 W. at 2,800 feet, pass S.W.  
20 corner of said survey and in all 2,900 feet to an outside ell corner  
21 of Simon Jones Survey, A-482;

22          THENCE S. 30 E. 1,050 feet to an inside ell corner of said  
23 survey; S. 60 W. 950 feet to an outside ell corner of said survey; S.  
24 30 E. 1,500 feet to an inside ell corner of said survey; S. 60 W. 225  
25 feet to an outside ell corner of said survey; and S. 30 E. 1,100 feet  
26 to survey's S.W. corner, said point being in North line of Thomas  
27 Graham Survey, A-341;



1           THENCE S. 60 W. with said North line of survey and North line  
2 of Ennis Smith's tract in E. Cameron Survey, A-130, 2,550 feet to an  
3 inside ell corner of said Smith tract;

4           THENCE N. 30 W. with Smith's east line 850 feet to the S.E.  
5 corner of Abner Lee Survey, A-532;

6           THENCE S. 60 W. with said survey's South line 1,425 feet to a  
7 point thereon, said point also being in the East line of a public  
8 road;

9           THENCE S. 30 E. with said line of road 6,030 feet to a point in  
10 North line of John Mills Survey, A-620, and said point also being in  
11 the North line of a public road;

12           THENCE S. 60 W. with said line 5,325 feet to a point in East  
13 line of Robert F. Norvell Survey, A-687;

14           THENCE S. with said survey line 4,000 feet to S.E. corner of  
15 survey and N.E. corner of Robert F. Norvell Survey, A-688;

16           THENCE W. with said Common survey line 3,151 feet to a point  
17 in the West right-of-way line of M. K. & T. R. R. Co.;

18           THENCE with said right-of-way line as follows: S. 10 E. 1,570  
19 feet; S. 7,500 feet; and S. 13 W. 10,738 feet to its intersection  
20 with the Hill-McLennan County line; Continuing the same course for  
21 22,940 or 33,678 feet in all to a point on the South line of M.  
22 Jewett Survey, A-517;

23           THENCE S. 60 W. with the South lines of said survey, B. B.  
24 Ingraham Survey, A-1126, J. M. Marek 89.5 acre tract in J. Moreno  
25 Survey, A-26 and Andrew N. Halbert 80 acre tract in same survey  
26 9,100 feet to S.W. corner of Charles J. Holy 167.2 acre tract in  
27 same survey;

1           THENCE N. 30 W. 100 feet to S.E. corner of Mary Catherine  
2 Demars' 80 acre tract in said survey;

3           THENCE S. 60 W. with her South line and the South lines of D.  
4 C. Mosely 80 acre tract, Albin Pavlas 84 acre tract, Joseph L.  
5 Melansky, 58.559 acre tract, W. C. Cox 10 acre tract (all in said  
6 Moreno Survey), and Wm. Carmichael Survey, A-273, 8,500 feet to a  
7 point in East line of T. H. Brennan Survey;

8           THENCE S. 30 E. with said E. line 2,600 feet to survey S.E.  
9 corner;

10          THENCE S. 60 W. 4,200 feet to point on South survey line;

11          THENCE S. 30 E. 1,620 feet to S.E. corner of W. M. Haney's 7.5  
12 acre tract in N. H. Hobbs Survey, A-428;

13          THENCE S. 60 W. 518 feet to his S.W. corner, being in the East  
14 line of a public road;

15          THENCE with said East road line S. 1 W. 1,900 feet to a point  
16 in survey's South line;

17          THENCE N. 60 E. 775 feet to N.W. corner W. W. Kattner 118.6  
18 acre tract in R. P. Shepherd Survey, A-1145;

19          THENCE S. 30 E. with Shepherd's West line, at 630 feet the  
20 N.E. corner Samuel Gholson Survey, A-18, continuing same course  
21 with East line of survey 7,800 feet to its S.E. corner;

22          THENCE S. 60 W. with South line of survey 3,220 feet to point  
23 in West line of public road;

24          THENCE with said line of said road as follows: S. 37 E. 2,825  
25 feet; S. 18 E. 2,500 feet; S. 8 W. 1,525 feet; S. 18 E. 1,240 feet;  
26 S. 60 W. 645 feet; S. 7 W. 3,700 feet; S. 23 W. 780 feet; S. 2 E. 540  
27 feet; and S. 8 W. 2,970 feet to a point in East line of Waco-Gholson

1 road;

2           THENCE S. 20 E. with said line 400 feet to point in South line  
3 of Joseph Rutherford Survey, A-34;

4           THENCE S. 60 W. 6,640 feet to a point on East bank of Brazos  
5 River;

6           THENCE in a general direction of N. 60 W. with the meanders of  
7 the East bank of the Brazos River 20,900 feet to a point in said bank  
8 being the N.W. corner of Martin G. McCartney's 93.53 acre tract in  
9 Samuel Gholson Survey, A-18;

10           THENCE N. 60 E. 1,620 feet to S.E. corner of B. L. Eastwood's  
11 86 acre tract in said survey;

12           THENCE N. 30 W. with East lines of Eastwood tract and M. G.  
13 Lightfoot tract 3,540 feet to a point in North line of said Gholson  
14 survey, said point being in West line of a public road;

15           THENCE N. 30 W. with said West line of said road 4,435 feet to  
16 its intersection with South line of A. Estes Survey, A-335;

17           THENCE S. 60 W. with said South line 2,150 feet to S.W. corner  
18 of said survey;

19           THENCE N. 30 W. 4,040 feet to N.W. corner of survey, said  
20 corner being in the south line of Mary Ware Survey, A-1056;

21           THENCE S. 60 W. with said line 1,010 feet to S.W. corner of  
22 John H. McCartney 100 acre tract in said survey;

23           THENCE N. 30 W. 3,020 feet to point in South line of Frank T.  
24 Allen 90.4 acre tract;

25           THENCE S. 60 W. 240 feet to his S.W. corner;

26           THENCE N. 30 W. 4070 feet to point in North line of said Ware  
27 Survey;

1           THENCE S. 60 W. 800 feet to S.W. corner of C. Carley 110 acre  
2 tract in Lemuel Rice Survey, A-1054;

3           THENCE N. 30 W. 1625 feet to his N.W. corner;

4           THENCE S. 60 W. 360 feet to an inside ell corner of P. A.  
5 Fuston 128 acre tract in said survey;

6           THENCE N. 30 W. 3670 feet to N.W. corner of Julia M. Clark 50  
7 acre tract of said survey;

8           THENCE N. 60 E. 1425 feet to S.W. corner of Esther Powell 51  
9 acre tract in said survey;

10          THENCE N. 30 W. 1735 feet to point in Hill-McLennan County  
11 line, being the N.W. corner of said Powell tract;

12          THENCE N. 60 E. 1300 feet to point in said County Line, being  
13 in the East line of a public road and in South line of Wm. H. Smith  
14 Survey, A-864;

15          THENCE N. 30 W. with said road line 2750 feet to its  
16 intersection with North line of said survey and continuing with  
17 said line N. 33 W. 2550 feet to its intersection with North line of  
18 Geo. W. Hill Survey, A-370;

19          THENCE N. 60 E. with said line 1200 feet to S.W. corner of  
20 Philip Hardwick Survey, A-372;

21          THENCE N. 30 W. with West line of said survey 1725 feet to  
22 inside ell corner of survey and also S.W. corner of J. E. Johnson 41  
23 acre tract in same;

24          THENCE N. 60 E. 2150 feet to Johnson's S.E. corner and inside  
25 ell corner in East Survey line;

26          THENCE N. 30 W. with said line 4225 feet to N.W. corner of  
27 survey, which point is the south line of John Saffel Survey, A-982;

1           THENCE N. 60 E. 3275 feet to a point in said Saffel survey  
2 line, and being the S.E. corner of C. R. Wright's 107.5 acre tract  
3 in said survey;

4           THENCE N. 30 W. with Wright's East line 2800 to his N.E.  
5 corner in North survey line;

6           THENCE N. 60 E. with said survey line 2200 feet to an inside  
7 ell corner of said survey;

8           THENCE N. 30 W. 4300 feet to N.W. corner of said survey;

9           THENCE N. 60 E. 6800 feet to point in Saffel N. line and being  
10 S.W. corner of E. E. Ussery's 100 acre tract in Wm. Brooks Survey,  
11 A-1;

12           THENCE N. 30 W. 7175 feet to N.W. corner of Ussery's 179.6  
13 acre tract in North survey line;

14           THENCE N. 60 E. 10,350 feet to a point in East line of public  
15 road at its intersection with common line between said Brooks  
16 Survey and James S. Dallas Survey, A-210, and said point being the  
17 S.W. corner of Klement Svreck's 92.35 acre tract out of said Dallas  
18 Survey;

19           THENCE N. 38 W. with said East road line 13,700 feet to the  
20 south line of Sterling C. Robertson Survey, A-8;

21           THENCE N. 60 E. 1200 feet to S. E. corner of survey;

22           THENCE N. 30 W. 6900 feet to survey N.E. corner;

23           THENCE S. 60 W. 2570 feet to point on survey's North line and  
24 being S.E. corner of Francisco Baldez Survey, A-31;

25           THENCE N. 30 W. with Baldez's East line and the East line of  
26 public road 10,750 feet to corner in South line of public road;

27           THENCE N. 60 E. with south line of said road 3820 feet to

1 corner in East line of public road;  
2           THENCE with said East line of road N. 28 W. 9750 feet; N. 49 W.  
3 1400 feet; and N. 51°; W. 3475 feet to point in North line of State  
4 Highway No. 22, which point is also in South line of Mary Beacham  
5 Survey, A-26;  
6           THENCE N. 60 E. 2385 feet to S.E. corner of said survey;  
7           THENCE N. 30 W. 16,000 feet to N.W. corner R. Irvin Survey,  
8 A-461;  
9           THENCE N. 60 E. 2750 feet to its N.E. corner;  
10          THENCE N. 30 W. 8800 feet to N.E. corner Rutgersville College  
11 Survey;  
12          THENCE N. 60 E. 650 feet to an inside ell corner of P. J.  
13 George Survey, A-329;  
14          THENCE N. 30 W. 10,250 feet to N.W. corner of W. M. McDonald  
15 Survey, A-566;  
16          THENCE N. 60 E. 2350 feet to its N.E. corner;  
17          THENCE N. 30 W. 3550 feet to N.W. corner James R. Rattekin  
18 Survey, A-782;  
19          THENCE N. 60 E. 3650 feet to S.W. corner James McDonald  
20 Survey, A-650;  
21          THENCE N. 30 W. 10,500 feet to N.W. corner of Samuel Ralph  
22 Survey, A-798;  
23          THENCE N. 60 E. 5200 feet to its N.E. corner;  
24          THENCE N. 30 W. 4850 feet to S.W. corner Richard Hope Survey,  
25 A-432;  
26          THENCE N. 60 E. 5200 feet to its S.E. corner;  
27          THENCE N. 30 W. 2,150 feet to S.W. corner W. C. Weatherred

Survey, A-932;

THENCE N. 60 E. 7,700 feet to its S.E. corner;

THENCE N. 30 W. 11675 feet to N.W. corner F. C. Burt Survey,  
A-28;

THENCE N. 60 E. 7800 feet to its N.E. corner;

THENCE N. 30 W. 7775 feet to N.W. corner Edwin S. Cabler  
Survey, A-113;

THENCE N. 60 E. 5225 feet to point in North line of survey,  
being S.W. corner of Myrtle Reddell 48 acre tract in Samuel Marshall  
Survey, A-571;

THENCE N. 30 W. 2190 feet to Reddell's N.W. corner;

THENCE N. 60 E. 3560 feet to point in West line of public  
road;

THENCE N. 30 W. with said line 3,000 feet to its intersection  
with the Hill-Johnson County line;

THENCE N. 75 E. 14,900 feet to the place of beginning,  
containing 273,864.4 acres of land, more or less. 190,524.4 acres,  
more or less, thereof, being in the Aquilla Creek Watershed and  
83,340 acres, more or less, being in the Hackberry Creek Watershed.

~~[It being hereby found and determined that all of the land  
included within the boundaries of the District will be benefited  
and that the District is created to serve a public use and benefit,  
it shall not be necessary for the Board of Directors to call a  
confirmation election or to hold a hearing on the exclusion of lands  
or a hearing on the adoption of a plan of taxation, but the ad  
valorem plan of taxation shall be used by the District.]~~

SECTION 5. CONFORMING AMENDMENT. Section 1, Chapter 110,

1 Acts of the 41st Legislature, 1st Called Session, 1929, is amended  
2 to read as follows:

3       Sec. 1. ~~[That Cameron County Water Improvement District~~  
4 ~~Number Ten, in Cameron County, Texas, as hereinafter described by~~  
5 ~~metes and bounds, is hereby created and established as a~~  
6 ~~Conservation and Reclamation District under authority of Section 59~~  
7 ~~of Article 16, of the Constitution of the State of Texas, for the~~  
8 ~~purpose of the reclamation and irrigation of its arid, semi-arid~~  
9 ~~and other lands, needing irrigation, reclamation and drainage of~~  
10 ~~its overflowed lands, and other lands needing drainage, and all~~  
11 ~~other purposes as contemplated by said Section 59 of Article 16, of~~  
12 ~~the Constitution of this State, and said District shall be a~~  
13 ~~Governmental agency and a body politic with all powers as are~~  
14 ~~granted to such Conservation and Reclamation Districts in the~~  
15 ~~Constitution and in the General Laws of the State of Texas, and the~~  
16 ~~organization and establishment of said District by the~~  
17 ~~Commissioners' Court of Cameron County, Texas, and all orders of~~  
18 ~~said Commissioners' Court of Cameron County, Texas, and of the~~  
19 ~~Board of Directors of said Cameron County Water Improvement~~  
20 ~~District Number Ten, heretofore made in respect to the creation of~~  
21 ~~such District and the authorization and issuance of the bonds of~~  
22 ~~said District and particularly an issue of Six Hundred Eighty~~  
23 ~~Thousand Dollars of bonds voted at an election under date of October~~  
24 ~~1, 1928, be and the same are hereby in all things ratified,~~  
25 ~~confirmed and validated.~~

26       ~~[It is hereby declared and determined that all property~~  
27 ~~within the boundaries of said District, as herein set forth, is~~



1 ~~benefited by the creation of said District, and that no property not~~  
2 ~~benefited is included within such boundaries.]~~ The said Cameron  
3 County Water Improvement District Number Ten, in Cameron County,  
4 Texas, ~~[here now created and established, after consideration of~~  
5 ~~the benefits to the property therein located,]~~ is described by  
6 metes and bounds, as follows, to-wit:

7         Six Thousand Nine Hundred Seventy-eight and 48/100 (6978.48)  
8 acres, more or less, situated wholly in Cameron County, Texas, and  
9 being a part of Shares Nos. 19, 27 and 28 of the Espiritu Santo  
10 Grant, in Cameron County, Texas, as said shares were allotted and  
11 set apart by the final decree partitioning said grant rendered by  
12 the District Court of Cameron County, Texas, May 6, 1889, in Cause  
13 No. 1346 entitled "M. Kenedy, R. King, et al. vs. Thomas Carson,  
14 Administrator, et al.," and more particularly described by metes  
15 and bonds, as follows:

16         "Beginning at a point on the west line of Share No. 27 said  
17 point being South 4°30' West 1228.2 feet from the center line of  
18 State Highway No. 100. Thence South 85°0' East 2915.2 feet to a  
19 point on the East line of said Share No. 27. Thence with the East  
20 line of share No. 27 North 3° 51' East 1258.2 feet to the North line  
21 of State Highway No. 100. Thence South 85° 0' East 2733.3 feet with  
22 the North line of State Highway No. 100 to a point in the East line  
23 of Share No. 28. Thence with the East line of Share No. 28 North 2°  
24 24' East 33,705.8 feet. Thence North 86° 36' West 1893.4 feet to a  
25 point in the East line of Share No. 27. Thence with the East line of  
26 Share No. 27 North 3° 30' East 26,848.8 ft. more or less, to the  
27 Northeast corner of Section 2, Citrus Gardens Subdivision,

1 according to map recorded in Vol. 8, page 19, of the Map Records of  
 2 Cameron County, Texas; thence north 85° 58' West, 1972 feet along  
 3 and with the North line of said Subdivision to the Northwest corner  
 4 thereof in the West line of said Share No. 27; thence South 4° 35'  
 5 West 18,060.4 ft. more or less, to the northeast corner of Tract No.  
 6 43 of Share No. 19 of the Espiritu Santo Grant, as said Tract No. 43  
 7 was set apart and allotted to Mrs. Agnes A. Browne by the final  
 8 decree partitioning said Share 19, rendered by the District Court  
 9 of Jefferson County, Texas, in Cause No. 7588, entitled "Charles B.  
 10 Combe, et al., vs. John H. Broocks, et al"; thence with the North  
 11 line of Tract No. 43 North 85° 30' West 1863.6 feet to the Northwest  
 12 corner of said Tract No. 43; thence with the West line of Tract No.  
 13 43 South 4° 30' West 43,772.3 feet to the Southwest corner of Tract  
 14 No. 43; thence with the South line of Tract No. 43 South 88° 30' East  
 15 1810.8 feet to a point in the West line of Share No. 27; thence North  
 16 4° 30' East 1279.5 feet to the place of beginning, containing  
 17 6978.48 acres, more or less."

18 The above described territory being the same territory that  
 19 was included within the boundaries of this District at the time of  
 20 its organization and described in order adopted on the 18th day of  
 21 June, 1928, by the Commissioners' Court of Cameron County, Texas,  
 22 with modifications thereto made by orders of the Board of Directors  
 23 of said District in conformity with law, prior to the voting of any  
 24 bonds by said District.

25 SECTION 6. REPEALER. The following statutes are repealed:

26 (1) Sections 2-20, Chapter 120, Acts of the 60th  
 27 Legislature, Regular Session, 1967;

1           (2) Sections 2 and 3, Chapter 271, Acts of the 62nd  
2 Legislature, Regular Session, 1971;

3           (3) Sections 2-18, Chapter 411, Acts of the 58th  
4 Legislature, Regular Session, 1963;

5           (4) Sections 4-7, Chapter 541, Acts of the 63rd  
6 Legislature, Regular Session, 1973;

7           (5) Sections 2(b)-(d), Chapter 95, Acts of the 76th  
8 Legislature, Regular Session, 1999;

9           (6) the following provisions of the Local Government  
10 Code:

11                   (A) Chapter 384, as added by Chapter 1578, Acts  
12 of the 76th Legislature, Regular Session, 1999;

13                   (B) Subchapters A-J, Chapter 376;

14                   (C) Subchapter K, Chapter 376, as added by  
15 Chapter 418, Acts of the 77th Legislature, Regular Session, 2001;

16                   (D) Subchapter K, Chapter 376, as added by  
17 Chapter 1356, Acts of the 77th Legislature, Regular Session, 2001;

18                   (E) Subchapter K, Chapter 376, as added by  
19 Chapter 1371, Acts of the 77th Legislature, Regular Session, 2001;

20                   (F) Subchapter K, Chapter 376, as added by  
21 Chapter 1376, Acts of the 77th Legislature, Regular Session, 2001;

22                   (G) Subchapter K, Chapter 376, as added by  
23 Chapter 1476, Acts of the 77th Legislature, Regular Session, 2001;

24                   (H) Subchapter K, Chapter 376, as added by  
25 Chapter 1384, Acts of the 77th Legislature, Regular Session, 2001;

26                   (I) Subchapter K, Chapter 376, as added by  
27 Chapter 1433, Acts of the 77th Legislature, Regular Session, 2001;

1 and

2 (J) Subchapters A and B, Chapter 396;

3 (7) Section 2, Chapter 360, Acts of the 76th  
4 Legislature, Regular Session, 1999;

5 (8) Chapter 213, Acts of the 51st Legislature, Regular  
6 Session, 1949;

7 (9) Section 2, Chapter 525, Acts of the 71st  
8 Legislature, Regular Session, 1989;

9 (10) Chapter 9, page 42, Special laws, Acts of the 41st  
10 Legislature, 4th Called Session, 1930;

11 (11) Sections 2-14, Chapter 43, Acts of the 57th  
12 Legislature, 3rd Called Session, 1962;

13 (12) Sections 2-10, Chapter 245, Acts of the 58th  
14 Legislature, Regular Session, 1963;

15 (13) Chapter 827, Acts of the 70th Legislature,  
16 Regular Session, 1987;

17 (14) Chapter 357, Acts of the 72nd Legislature,  
18 Regular Session, 1991;

19 (15) Sections 1-3 and 5-9, Chapter 661, Acts of the  
20 62nd Legislature, Regular Session, 1971;

21 (16) Chapter 142, Acts of the 55th Legislature,  
22 Regular Session, 1957;

23 (17) Sections 2 and 3, Chapter 157, Acts of the 57th  
24 Legislature, Regular Session, 1961;

25 (18) Chapter 97, Acts of the 44th Legislature, Regular  
26 Session, 1935;

27 (19) Chapter 151, Water Code;

1           (20) Sections 1, 2, and 4-12, Chapter 183, Acts of the  
2 56th Legislature, Regular Session, 1959;

3           (21) Sections 2-13, Chapter 110, Acts of the 41st  
4 Legislature, 1st Called Session, 1929;

5           (22) Subchapter B, Chapter 421, Local Government Code;  
6 and

7           (23) Chapter 47, Acts of the 75th Legislature, Regular  
8 Session, 1997.

9           SECTION 7. LEGISLATIVE INTENT OF NO SUBSTANTIVE CHANGE.

10 This Act is enacted under Section 43, Article III, Texas  
11 Constitution. This Act is intended as a recodification only, and no  
12 substantive change in the law is intended by this Act. This Act  
13 does not increase or decrease the territory of any special district  
14 of the state as those boundaries exist on the effective date of this  
15 Act.

16           SECTION 8. PRESERVATION OF VALIDATION MADE BY PREVIOUS LAW.

17 (a) The repeal of a law, including a validating law, by this Act  
18 does not remove, void, or otherwise affect in any manner a  
19 validation under the repealed law. The validation is preserved and  
20 continues to have the same effect that it would have if the law were  
21 not repealed.

22 (b) Subsection (a) of this section does not diminish the  
23 saving provisions prescribed by Section 311.031, Government Code.

24           SECTION 9. EFFECTIVE DATE. This Act takes effect April 1,  
25 2005.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I certify that H.B. No. 3508 was passed by the House on April 30, 2003, by a non-record vote.

\_\_\_\_\_  
Chief Clerk of the House

I certify that H.B. No. 3508 was passed by the Senate on May 20, 2003, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

APPROVED: \_\_\_\_\_  
Date

\_\_\_\_\_  
Governor

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I certify that H.B. No. 3508<sup>✓</sup> was passed by the House  
(1)  
on April 30<sup>✓</sup>, 2003, by a non-record vote.  
(2)

\_\_\_\_\_  
Chief Clerk of the House

I certify that H.B. No. 3508<sup>✓</sup> was passed by the Senate  
on May 20<sup>✓</sup>, 2003, by the following vote:  
(3)  
Yeas 31<sup>✓</sup>, Nays 0<sup>✓</sup>  
(4) (5)

\_\_\_\_\_  
Secretary of the Senate

APPROVED:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor

\*\*\*\* Preparation: CT26;

H.B. No. 3508

A BILL TO BE ENTITLED  
AN ACT

*[Signature]*

relating to the adoption of a nonsubstantive revision of local laws concerning special districts, including conforming amendments.

MAR 14 2003 Filed with the Chief Clerk

MAR 27 2003 Read first time and referred to Committee on State Affairs

APR 07 2003 Reported favorably (as amended)  
(~~as substituted~~)

APR 16 2003 Sent to Committee on (Calendars)  
(~~Local & Consent Calendars~~)

APR 29 2003 Read second time (~~(amended)~~) (amended); passed to third reading (~~(unanimous consent)~~) by a (non-record vote)  
(~~(unanimous consent)~~)

Constitutional rule requiring bills to be read on three several days suspended (failed to suspend) by a vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting

APR 30 2003 Read third time (~~(amended)~~), finally passed (~~(unanimous consent)~~) by a (non-record vote)  
(~~(unanimous consent)~~)

MAY 01 2003 Engrossed

MAY 01 2003 Sent to Senate

*Robert Haney*  
CHIEF CLERK OF THE HOUSE

OTHER HOUSE ACTION:

MAY 01 2003 Received from the House

MAY 07 2003 Read and referred to Committee on ADMINISTRATION

MAY 16 2003 Reported favorably \_\_\_\_\_

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time

MAY 16 2003 Ordered not printed

MAY 20 2003 Laid before the Senate

Senate and Constitutional Rules to permit consideration suspended by (unanimous consent)  
(\_\_\_\_\_ yeas, \_\_\_\_\_ nays)

MAY 20 2003 Read second time, \_\_\_\_\_, and passed to third reading by (unanimous consent)  
(a viva voce vote)  
(\_\_\_\_\_ yeas, \_\_\_\_\_ nays)

MAY 20 2003 Senate and Constitutional 3 Day Rules suspended by a vote of 31 yeas, 0 nays

MAY 20 2003 Read third time, \_\_\_\_\_, and passed by (a viva voce vote)  
(31 yeas, 0 nays)

May 20, 2003 Returned to the House

*Lately Spaw*  
SECRETARY OF THE SENATE

OTHER SENATE ACTION:



MAY 20 2003

Returned from the Senate (~~as substituted~~)  
(with ~~amendments~~)

House concurred in Senate amendments by a (non-record vote)  
(record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting)

House refused to concur in Senate amendments and requested the appointment of a conference committee  
by a (non-record vote) (record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting)

House conferees appointed: \_\_\_\_\_, Chair; \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

Senate granted House request. Senate conferees appointed: \_\_\_\_\_, Chair;  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

Conference committee report adopted (rejected) by the House by a (non-record vote)  
(record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting)

Conference committee report adopted (rejected) by the Senate by a (viva voce vote)  
(record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays)